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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
IN SEATTLE

UNITED STATES OF AMERICA,)
Plaintiff,) NO. CR09-160JLR
vs.)
WILLIAM S. POFF,)
Defendant.)

TRIAL

BEFORE THE HONORABLE JAMES L. ROBART

March 9, 2010

APPEARANCES:

Sarah Vogel
Michael Scoville
Assistant United States Attorneys
Representing the Plaintiff

William S. Poff
Pro Se
Representing the Defendant

Howard Ratner
Standby Counsel
Attorney at Law

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1 THE COURT: We have a couple of preliminary matters that
2 I would like to take up this morning, and then I will ask each
3 counsel if they have anything they want to take up. The first
4 is, it occurred to me that I covered this in our pretrial
5 conference, but that was some time ago, so let me remind you of
6 the way that I request you do objections to questions or to
7 answers. And that is, you don't need to rise to do this, unless
8 you want to attract my attention. Simply say, objection, and
9 then give me a one or two word explanation of what that objection
10 is. For example, lack of foundation, hearsay. That way, if I
11 want to know more as to what the objection is, I will ask you.
12 Otherwise, I will rule at that time. So that's how I would like
13 you to handle objections.

14 Second, I have now had an opportunity to review the motion to
15 dismiss for violation of the Speedy Trial Act, and the
16 government's response to it. And I will rule on it at this time.
17 It is my intention, as I get through motions and have an
18 opportunity to do the research on them, to basically keep dealing
19 with them as we proceed, so that we don't build up a backlog to
20 them.

21 In Docket 149 is Mr. Poff's motion to dismiss for violation
22 of the Speedy Trial Act. A careful reading of the pleading
23 indicates that it is both an alleged violation of the Speedy
24 Trial Act and a violation of the Sixth Amendment, quote, right to
25 a speedy and public trial, end quote, requirement.

1 The Speedy Trial Act has a 70-day period for bringing a
2 defendant to trial. However, it is subject to a series of
3 well-recognized exceptions. One of which is, the pendency of
4 pretrial motions tolls that 70-day period; and, secondly,
5 continuances to serve, quote, the ends of justice, end quote, are
6 excluded, provided they are reasonable continuances. And, third,
7 a reasonable continuance as to one defendant is excludable as to
8 the other defendants.

9 The Sixth Amendment standard states that a defendant has a
10 right to a speedy and public trial. The Court has reviewed the
11 record in this matter, being familiar with it since it is part of
12 the record in this matter, and would note that application of the
13 exceptions found in the Speedy Trial Act, one for pretrial
14 motions, and, secondly, for continuances which were entered to
15 promote the ends of justice, namely the opportunity to prepare a
16 case where there is a great deal of documentary evidence.

17 I am totaling up the time that has been excluded and the
18 total time. I find that there has not been a violation of the
19 Speedy Trial Act.

20 In regards to the Sixth Amendment, the right to a speedy and
21 public trial, it is not subject to an account by number of days.
22 I would note that in this matter, as best I can tell from the
23 docket, from Mr. Poff's arraignment to trial is about nine
24 months. That is not an excessively long period of time given the
25 complexities of this case.

1 I would note that most of the motions, if not all of the
2 motions for continuance, came from other defendants, some of whom
3 obviously had different theories on how to prepare for trial, and
4 wanted to concentrate on understanding the various transactions.
5 And, therefore, I find that there has not been a violation of the
6 Sixth Amendment right to a speedy and public trial.

7 As I have found that there is no violation of the Speedy
8 Trial Act or the Sixth Amendment, I will at this time deny the
9 motion to dismiss for violations of the Speedy Trial Act, found
10 at Docket 149.

11 Counsel, I think the other housekeeping that I left you all
12 with was a decision on the question of Findings of Fact and
13 Conclusions of Law. And I will start with the government.

14 MS. VOGEL: Your Honor, we will not be requesting
15 specific Findings of Fact and Conclusions of Law.

16 THE COURT: All right. Mr. Poff.

17 THE DEFENDANT: I will not be requesting that either,
18 your Honor.

19 THE COURT: Then the Court has made the inquiry under
20 Criminal Rule 23, and has been told by both counsel that they do
21 not wish to have Findings of Fact and Conclusions of Law. So at
22 the conclusion of the trial, or shortly thereafter, after I have
23 had an opportunity to review the record, I will announce my
24 findings as to guilt or innocence.

25 I believe where we left off was with the agent on the stand,

1 but I also promised each of you an opportunity to raise any
2 matters.

3 Ms. Vogel?

4 MS. VOGEL: Nothing, your Honor.

5 THE COURT: Mr. Poff.

6 THE DEFENDANT: Yes, sir. I have a continued -- just
7 state for the record I have a continuing objection in regards to
8 the U.S. Attorney's not being trustees of the United States'
9 bankruptcy.

10 THE COURT: Let me ask you -- I started working on that
11 one next. There is in the record a notice of bankruptcy for the
12 United States, which I am construing as a motion. And you orally
13 raised this matter yesterday. Is there anything else in the
14 record that I should be aware of in connection with that
15 contention?

16 THE DEFENDANT: I submitted an affidavit on this very
17 premise, your Honor.

18 THE COURT: That was part of your notice, I think.

19 THE DEFENDANT: Yes, sir. It is basically the United
20 States has been in a declared state of insolvency since -- I
21 believe it was the Emergency Banking Act, which would be 77 years
22 this month, or House Resolution 192, signed into law June 5th,
23 1933.

24 THE COURT: Does the government wish to put in a
25 response to that?

1 MR. SCOVILLE: Your Honor, the government's position is
2 that the motion is frivolous.

3 THE COURT: All right. Then we will call the agent to
4 the stand and begin with him.

5 THE DEFENDANT: Sir, may I address two other issues?

6 | THE COURT: Yes.

7 THE DEFENDANT: I don't want to be disruptive in any
8 way, sir. I have three other issues. One was the handwriting
9 expert will have a report to us that we can give to the
10 plaintiffs by Thursday, your Honor. I want to give notice of
11 that today, so we will be in compliance with the court's orders.

12 Also, I would like to make a motion to compel disclosure of
13 what is the actual entity, United States of America, in all caps,
14 a written response from the plaintiffs on that.

15 Also, I would like the court to compel the plaintiffs to
16 emphatically place and prove the existence of the federal
17 evidence -- federal jurisdiction, the nexus, for William Stuart
18 Poff, the sovereign, in this honorable court, sir.

19 THE COURT: I tell you what, both of those I will take
20 under advisement. I think they are capable of being ruled on by
21 the court, which is what you are asking. And I would hope to
22 have an answer for both of those within the next 24 hours or so.
23 They are also on my list of items to deal with.

24 | THE DEFENDANT: Thank you, sir.

25 THE COURT: Mr. Poff, I can't find any authority for the

1 government printing office style manual carrying over into the
2 judicial system. If you have authority for that proposition, you
3 might want to submit it to the court.

4 THE DEFENDANT: I will look for that, sir. I know -- I
5 don't know everything in this legal arena. I am definitely not
6 an attorney. I am kind of catching up here a little bit, so to
7 speak. I do know everything is very detailed in law, that any
8 time something is capitalized like this it has a specific
9 meaning. I.e., when I reviewed my -- the offer for settlement --
10 I'm sorry, the pretrial conference --

11 THE COURT: Judge Martinez.

12 THE DEFENDANT: The settlement done, for instance, with
13 Judge Martinez, my name was actually spelled correctly at that
14 point. Whereas before, in all other court documents, my name was
15 spelled in this capitalistic style, which I am led to believe is
16 some sort of trust or corporate fiction of some kind.

17 THE COURT: What is the basis for that belief?

18 THE DEFENDANT: The basis for that belief is I believe
19 that everything technically is run by corporation or trust, and I
20 am believing that this entity called United States of America is
21 actually a trust, possibly a Social Security trust. I don't
22 know. That's why I am trying to find out the answers to this.
23 The United States of America spelled in proper English
24 grammatical form is the actual de jour America. Whereas this
25 United States of America is actually a corporate or trust

1 fiction, basically. I know that basically for a fact. I am
2 lacking the actual nexus. That's why I am asking for the
3 information from the plaintiffs on this matter, your Honor.

4 THE COURT: Here is the difficulty with what you are
5 trying to do, Mr. Poff. When you say you know something for a
6 fact --

7 THE DEFENDANT: I know it sounds --

8 THE COURT: You need to provide me with where I can find
9 that as a fact. The fact that you know it doesn't mean that it
10 is a fact for everyone else. You may believe it, and therefore
11 it is a fact.

12 What you need to do is direct me to some authority somewhere
13 where it is written down, for example, in connection -- you said
14 you had a House resolution. That is something I can look at.
15 Simply to say it is a trust or it is a corporation, and you know
16 that, doesn't help me in terms of understanding what your
17 argument is. If you have things that you could point me to or
18 submit to the court, that's the kind of material which is
19 admissible and I can then use to help resolve these issues. Know
20 that's what your burden is when you raise those kinds of issues.

21 THE DEFENDANT: Duly noted. Thank you.

22 THE COURT: Anything else?

23 THE DEFENDANT: That would be it, sir.

24 THE COURT: Then you may begin. Ms. Vogel.

25 MS. VOGEL: One comment, your Honor. On the matter of

1 the expert disclosure, I looked forward to receiving the report
2 on Thursday, as promised. I just want to note I left
3 instructions for our staff to file the motion on the record as
4 instructed by the court. So that may be filed this morning
5 anyway.

6 THE COURT: That's fine.

7 MS. VOGEL: FYI.

8 THE COURT: Do you know what time on Thursday, Mr. Poff?
9 Mr. Ratner, springing to life.

10 MR. RATNER: Yes, your Honor. She is working on the
11 report now. She said that she would hopefully get it to me by
12 Wednesday by e-mail. That should be after court on Wednesday,
13 and I should be able to have it by Thursday morning.

14 THE COURT: The earlier we can get that filed, the
15 earlier I am going to ask each of you how you want to proceed in
16 regards to -- It may be completely satisfactory, and the
17 government will say, fine, and that matter is revolved. They may
18 wish to have a Daubert challenge to this particular methodology.
19 If that is the case, I need to get that scheduled.

20 MR. RATNER: Thank you.

21 THE COURT: All right. Agent, you are still under oath.

22 CROSS-EXAMINATION

23 By the Defendant:

24 Q Good morning, sir.

25 A Good morning.

1 Q Sir, in 2006, you became aware of suspicious activity from
2 transfers of funds between two individuals. Who were these
3 individuals that you had found these suspicious transfers of
4 funds?

5 A I would say in 2006, we began a smuggling investigation. As
6 part of that investigation we obtained financial records related
7 to that individual, Tony Reyes. At that point we started looking
8 at his transactions. And with a combination of that and phone
9 tolls, we were able to link a number of individuals, including
10 Ms. Ikilikyan, with Mr. Reyes. And then analysis of bank
11 accounts also showed transactions between those individuals.

12 Q Okay, sir. So none of these funds were transferred to a bank
13 account in the name of William Stuart Poff?

14 A No.

15 Q So at this point there was no William Stuart Poff -- at this
16 point was not a person of interest at this point in the
17 investigation?

18 A Not at that time.

19 Q At what time and date was William Stuart Poff actually linked
20 to be a person of interest in the investigation?

21 A I don't have an exact date. It became knowledge to
22 investigators over a period of time that Mr. Poff was married to
23 Ms. Ikilikyan.

24 Q Was that the nexus that you were looking for in the
25 investigation, was the marriage?

1 A What do you mean by "looking for"?

2 Q Just to put it bluntly, is this guilt by association?

3 A No. A combination of seeing Mr. Poff's name on a number of
4 documents that we had begun to analyze, in addition to becoming
5 aware that Mr. Poff was married to Ms. Ikilikyan.

6 Q And some of these documents that you saw William Stuart
7 Poff's name on, quite literally, that name was on documents he
8 had notarized?

9 A Yes.

10 Q Did you see his name on any other documents as William Stuart
11 Poff -- William S. Poff?

12 A I cannot --

13 MS. VOGEL: Just to clarify, is the question William
14 Stuart Poff or William S. Poff?

15 THE DEFENDANT: On the documents it would be William S.
16 Poff. I apologize.

17 THE WITNESS: I have seen documents with William S. Poff
18 as a notary.

19 By the Defendant:

20 Q Did you see any other documents with the name William S.
21 Poff -- any other documents besides him performing his role as a
22 notary public?

23 A I cannot cite any specific document with William S. Poff,
24 without looking at the document first.

25 Q I'm sorry. I didn't understand your answer, sir. Can you

1 repeat it?

2 A Can you ask the question one more time?

3 Q Was there any other specific documents that the name William
4 S. Poff was on besides documents which were notarized in his
5 capacity as a notary public?

6 A Not that I can recall at this time.

7 Q Was there any infractions that William S. Poff was noted in
8 your investigation in the performance of his role as a notary
9 public?

10 A Did you say "infractions"?

11 Q Infractions, breaking the law as a notary public?

12 A No.

13 Q Nothing? Now, William S. Poff was arrested in the State of
14 Michigan on June 3rd?

15 A Yes.

16 Q Was that -- where was that at, sir, in Michigan?

17 A Battle Creek.

18 Q Was that in some type of federal area, base, national park?

19 A It was in the State of Michigan.

20 Q The State of Michigan?

21 A The State of Michigan.

22 Q It was in the corporate State of Michigan?

23 A I do not understand your question.

24 Q My understanding, the State of Michigan is actually the
25 corporate name of Michigan. Michigan would be the actual place

1 where the State of Michigan is the actual corporate or government
2 entity for that state.

3 A I think my answer is going to be the State of Michigan.

4 Q The State of Michigan. Okay. And on these -- Did you have
5 an opportunity to look at these loan applications known as 1003s?
6 Who was actually listed on these loan applications that brought
7 William S. Poff into light as a potential person to be
8 investigated, sir?

9 A Are you referring to the signature block on the form?

10 Q The interviewer, loan officer, the signature block on the
11 loan, yes.

12 A On a number of forms, William S. Poff was listed as the
13 interviewer.

14 Q William S. Poff was listed as --

15 A Not on all of the forms, but some of them.

16 Q On some of the forms?

17 A Yes.

18 Q Could I take one second, please?

19 A Yes.

20 THE COURT: You need to address that question to me.

21 THE DEFENDANT: I'm sorry, sir. I don't have the
22 protocol and procedure down.

23 THE COURT: Go ahead.

24 THE DEFENDANT: I would like to actually reserve that
25 question for a later time, because I am going to place into

1 evidence loan applications that have the forged signature of Bill
2 Poff on them, your Honor. I do not have them in my file right
3 now. I will locate them and bring them to the court's attention
4 very shortly.

5 THE COURT: All right. Normally in an examination of a
6 witness -- cross-examination, which is what you are doing now, it
7 would be limited to the areas that the agent testified. My usual
8 policy is to permit great latitude in that so that we don't
9 recall witnesses. If there is an area that you are not prepared
10 to question him, you have the right to recall him if you reserve
11 that right. I will allow it in regard to this, since the agent
12 is sitting at counsel table. We will avoid that in the future to
13 the extent we can. You reserve your right to recall the witness?

14 THE DEFENDANT: Yes, I would reserve that. I would like
15 to produce those 1003 loan applications.

16 THE COURT: That's fine.

17 By the Defendant:

18 Q Now, yesterday we went over a lot of documents that were
19 subpoenaed from different sources. Now, a lot of these documents
20 were recorded deeds of trust or -- mostly deeds of trust on these
21 different properties and carryback deeds of trust; is that true,
22 sir?

23 A Yes.

24 Q On some of these deeds of trust, William S. Poff was the
25 notary of record on those deeds of trust?

1 A I believe so, but I would want to look at the document to
2 confirm that.

3 Q Now, sir, in your investigation, the overtones I saw from the
4 investigation from your report was, William S. Poff was being
5 made out to be some sort of, I don't know, quasi mastermind
6 behind this alleged scheme; is that true? Is that kind of where
7 the investigation was pointing towards, or is that not true, sir?

8 A I don't think I would agree with that.

9 Q You wouldn't agree with that. Very well, sir.

10 Now, if William S. Poff was a notary public and he is
11 notarizing these deeds of trust, and they are being recorded with
12 the county clerk, they are literally public record; is that not
13 correct, sir?

14 A Yes.

15 Q So if William S. Poff in his performance as a notary public
16 is notarizing these documents, he is attesting to the validity of
17 the person before him, their identity only, not to the veracity
18 of the document in any way, and they are being recorded as a
19 public record, wouldn't it stand to reason that he would make
20 sure that he was doing nothing illegal at all?

21 MS. VOGEL: Objection, your Honor. This is not a
22 question this witness has any knowledge of.

23 THE COURT: I will sustain that. You are asking for the
24 witness' opinion. Only expert witnesses can give opinions. He
25 can testify to facts.

1 THE DEFENDANT: Okay. Thank you, sir.

2 | By the Defendant:

3 Q So it is a fact then, sir, these documents were recorded and
4 are public record?

5 A Yes.

6 Q For anyone in the public to go and see, to investigate if
7 they had a question? If they had a concern, they could easily go
8 and pull those records from a county clerk, go online a lot of
9 times, and find these records?

10 A Yes.

11 Q Now, you said that this is your first case in regards to a
12 mortgage fraud -- I'm sorry, bank fraud, wire fraud or money
13 laundering charges. You said that you had training before at the
14 academy. Could you tell me the substance of that training that
15 you had at your academy, please?

16 A All agents, when they go through the academy in Georgia, go
17 through a financial course that talks about different aspects of
18 money laundering, bank fraud, and for other statutes we have
19 jurisdiction to investigate.

20 Q Do you remember how many clock hours of training? Can you go
21 into any detail about that?

22 A If I recall correctly, it was probably between two and five
23 days of training.

24 | 0 Two and five days of training?

25 A Yes.

1 Q And that was over five years ago you actually went to the
2 academy, sir?

3 A 2005/2006 timeframe.

4 Q So approximately four or five years. And this has been your
5 first case that you have actually investigated in regards to
6 these types of offenses then?

7 A Yes.

8 Q Can you tell me a little bit about Operation Malicious, and
9 if that was one of the government task forces that alleged this
10 defendant and co-defendants in this case?

11 MS. VOGEL: Objection to compound question. Can we
12 start first with does he know anything?

13 THE COURT: You will hear me say this periodically,
14 Mr. Poff. I will say you need to lay a foundation. You need to
15 ask him, for example, does he know what that particular operation
16 is.

17 THE DEFENDANT: Okay, sir. Sorry about that.

18 By the Defendant:

19 Q Special Agent, do you know what Operation Malicious Mortgage
20 is?

21 A I do not.

22 Q Are you aware of any government task force to go out and
23 create a government dragnet to find people in this industry and
24 the violations they committed?

25 A No.

1 Q Was this case a part of any type of task force at all? I'm
2 sorry. Let me rephrase the question.

3 I will withdraw my question, your Honor.

4 In your investigation, none of the monies went to William S.
5 Poff?

6 A Are you referring to a bank account?

7 Q Yes. We will start with a bank account, yes, sir.

8 A No.

9 Q Did any of the monies go to William S. Poff in other ways?

10 A I have no direct knowledge of that.

11 Q No direct knowledge. Okay, sir. In your investigation did
12 you have to figure out how I directly benefited from this?

13 A Myself or other investigators?

14 Q Yourself, sir.

15 A No.

16 Q So the original nexus that brought me into this investigation
17 was because I was married to Alexis Ikiliyan?

18 A No. I would state the original nexus was seeing your name on
19 numerous real estate documents that were under investigation.

20 Q And those were the deeds of trust, the different documents
21 that I had notarized, basically?

22 A That's correct.

23 Q Now, as an ICE agent you are under the Department of Justice
24 then; is that correct, sir?

25 A No. The Department of Homeland Security.

1 Q You are under the Department of Homeland Security.

2 THE DEFENDANT: I believe that is all my questions at
3 this time, your Honor.

4 THE COURT: All right. Redirect, counsel.

5 REDIRECT EXAMINATION

6 By Ms. Vogel:

7 Q Agent, can you look, please, at Exhibit 121? This is a 1003
8 form that I believe the defendant just referred to. How many of
9 these 1003 forms like this did you review as part of this
10 investigation? Can you give us an estimate?

11 A Two or three dozen.

12 Q Do you remember who was listed as the interviewer on each of
13 them?

14 A Not exactly.

15 Q The defendant asked you if William S. Poff or William Poff
16 was listed on certain documents. Up until the last few days, has
17 that been a focus of your investigation, whether the name was
18 signed William Poff or William S. Poff or some other derivative?

19 A No.

20 Q How sure are you, now that you think back and ask yourself
21 that question, on what documents the signature was William Poff
22 and what documents the signature was William S. Poff, and what
23 documents it might have been Bill Poff? How certain are you in
24 your mind you know which is which on which document?

25 A I do not know how each document was signed.

1 Q Has that been a focus of your conscious inquiry up until just
2 the last few days?

3 A No.

4 Q If you would look, please, at Exhibit 121, which I do believe
5 was admitted yesterday. If you would look at page 3. If we
6 could focus in on the bottom half of this 1003. What is the name
7 that is listed in the interviewer box?

8 A Bill Poff.

9 Q Does that also appear to be the name that was signed?

10 A Yes.

11 Q So earlier when you testified that there were 1003s with the
12 name William Poff on it, were you referring to other documents
13 other than this, or what documents were you referring to?

14 A I was referring to the numerous 1003s or loan applications
15 where I had seen the name Bill Poff, or believe I had seen the
16 name William Poff as well.

17 Q When the defendant asked you about William Poff, was it your
18 understanding that he was referring to Bill Poff as well?

19 A I understand it to be the same.

20 Q The defendant asked you about how he came to your attention.
21 You mentioned that there were documents with his name on them,
22 and you specifically mentioned notarized documents. What other
23 types of documents, in addition to deeds, have you seen the
24 defendant's notarization on?

25 A On numerous real estate documents contained in lender

1 packages related to particular transactions.

2 Q Would those also include real estate or loan documents
3 between the buyer and the private seller?

4 A Yes.

5 Q It wasn't just original deeds?

6 A That's correct.

7 MS. VOGEL: Nothing further.

8 THE COURT: Recross.

9 RECROSS-EXAMINATION

10 By the Defendant:

11 Q You spent four years in the Navy, correct, sir?

12 A Four years active duty.

13 Q And then four years Reserve time?

14 A Yes.

15 Q A total of eight years serving your country. Now, the
16 military is pretty specific on how you call your name. They have
17 something called a payroll signature. Can you tell me what a
18 payroll signature is? Are you familiar with that?

19 A I'm not.

20 Q I guess it must be an inter-service thing here. When you go
21 into the military, they tell you to basically sign your full
22 legal name, correct? You basically use your middle initial. Is
23 that how you were taught to sign your name in the Navy?

24 A I do not recall.

25 Q You do not recall how they required you to sign the contracts

1 and legal forms in the military?

2 A No. It has been a while.

3 Q It must be something between the services, because I know in
4 the Marine Corps we were taught -- I guess we are kind of a
5 different breed, we were taught to always sign our payroll
6 signature, which for me would have been William S. Poff.

7 In the evidence, most of the places where there was a
8 legitimate notary made by William S. Poff, it was that so-called
9 payroll signature that he was told, trained and basically
10 indoctrinated to make.

11 Is that what you have noticed in the evidence, where it was
12 actually my signature?

13 A I noticed in the evidence, when you are referring to the
14 notaries, William S. Poff. That sounds familiar.

15 Q Very well. Was there -- in your recollection, was there any
16 loan applications with what I call the payroll signature, any
17 applications with the signature of William S. Poff, how he
18 normally signs his name on any of the 1003s you have reviewed, or
19 do you not recall?

20 A I would answer no to that. I would like to review the
21 documents to confirm that answer.

22 THE DEFENDANT: Very well. Thank you, sir.

23 THE COURT: Anything further, counsel?

24 MS. VOGEL: No, your Honor.

25 THE COURT: You may step down. The government may call

1 its next witness.

2 MS. VOGEL: The United States calls Alexis Ikilikyan.

3 Whereupon,

4 ALEXIS IKILIKYAN

5 Called as a witness, having been first duly sworn, was examined
6 and testified as follows:

7 THE CLERK: Will you state your name for the record and
8 spell your last name, please.

9 THE WITNESS: Alexis Ikilikyan, I-K-I-L-I-K-Y-A-N.

10 THE COURT: You may inquire.

11 DIRECT EXAMINATION

12 By Ms. Vogel:

13 Q Ms. Ikilikyan, have you ever used a different first name?

14 A Yes, Haikanush Ikilikyan.

15 Q Can you spell Haikanush, please?

16 A H-A-I-K-A-N-U-S-H.

17 Q Why did you use that other first name?

18 A Haikanush was my legal name. Alexis was later -- I added
19 Alexis as a first name. Haikanush became my legal middle name.

20 Q At some point did you change your name legally?

21 A Yes, I did.

22 Q When was that?

23 A I don't remember the month. It was the year 2006, ma'am.

24 Q In what city do you live?

25 A Auburn, Washington.

1 Q Are you acquainted with the defendant, William Poff?

2 A Yes, I am.

3 Q What name do you know him by?

4 A Bill Poff.

5 Q How do you know the defendant, Mr. Poff?

6 A Bill Poff and I were married.

7 Q How did your relationship begin?

8 A Bill Poff and I met online in the year 2000, April. In the
9 year 2003, December, Bill Poff and I got married.

10 Q Are you still married?

11 A No.

12 Q When did the marriage end?

13 A August, 2008.

14 Q And were you separated for some time period before you were
15 divorced?

16 A Yes, ma'am, the end of April we were separated legally.

17 Q Of what year?

18 A 2008.

19 Q Ms. Ikiliyan, how old are you?

20 A I am 30 years old.

21 Q How old were you when you got married?

22 A Twenty-four, ma'am.

23 Q How old was the defendant, Mr. Poff, when you got married?

24 A He was eight years older, so 32. I am speculating, ma'am.

25 A About 32, I think.

1 Q Ms. Ikiliyan, where were you born?

2 A I was born in Yerevan, Armenia.

3 Q Can you spell that?

4 A Y-E-R-E-V-A-N, A-R-M-E-N-I-A.

5 Q And when did you come to the United States from Armenia?

6 A In 1993. April of 1993.

7 Q So how old were you?

8 A I was 14 years old.

9 Q What is your citizenship?

10 A I am a U.S. citizen.

11 Q What is your current marital status?

12 A I am currently married.

13 Q Do you have any children?

14 A I have one four-month-old infant.

15 Q Ms. Ikiliyan, did your relationship with your current

16 husband begin before or after your final divorce from the

17 defendant, Mr. Poff?

18 A Before, ma'am.

19 Q How many years of education have you had?

20 A I have 16 years, ma'am.

21 Q So you have some college or community college?

22 A Yes, I do.

23 Q What area was that in?

24 A An Associate's degree in criminal justice, public

25 administration and a Bachelor's degree.

1 Q Do you hold any professional licenses or degrees?

2 A I used to, ma'am.

3 Q And what area were those?

4 A It was mortgage broker and real estate broker.

5 Q Have you ever served in the United States military?

6 A Yes, ma'am, from 2001 until 2009.

7 Q And what branch?

8 A United States Marine Corps.

9 Q And was that active duty or reserve duty?

10 A It was reserve, ma'am.

11 Q What was your rank in the United States Marine Corps?

12 A Sergeant, E-5.

13 Q What was your job description?

14 A Administration.

15 Q What is your current military status?

16 A I am currently out of the military.

17 Q And what was the nature of your separation?

18 A Actually this case affected it, ma'am. And it was time to move on since I had a child.

20 Q Ms. Ikiliyan, have you ever purchased any real estate?

21 A Yes, ma'am.

22 Q How many properties have you purchased?

23 A Total, with myself and including straw buyers, 27 properties, ma'am.

25 Q And where were those properties?

1 A All across King, Pierce, Thurston County.

2 Q Were there any that were outside the Western District of
3 Washington?

4 A There was one in Spokane.

5 Q And what year did you buy your first property?

6 A The first property was November of 2001.

7 Q What year did you buy your last property, the most recent?

8 A It was January of 2008.

9 Q So between November of 2001 and January of 2008, you bought
10 all 27 pieces of real estate?

11 A Yes, ma'am.

12 Q And what type of real estate was that?

13 A All of them were residential properties, ma'am. There was
14 only one that was considered commercial, an eight-plex.

15 Q When you say eight-plex, what do you mean?

16 A Eight units, apartments, a complex.

17 Q Were all of those properties purchased in your own name?

18 A No, ma'am. Most of them were in my name, but the rest of
19 them were in straw buyers' names, including my own mother.

20 Q Let's look at Exhibit 2, please. Do you recognize the
21 photograph of your mother on this chart?

22 A Yes, ma'am.

23 Q And can you describe which photograph it is?

24 THE COURT: You can actually touch the screen.

25 MS. VOGEL: It hasn't been working very well lately.

1 Top line or bottom line.

2 THE WITNESS: Bottom line.

3 MS. VOGEL: I have to --

4 THE COURT: The features are controlled from your unit.

5 Why don't you describe for us where it is on the page? We will
6 do it that way.

7 THE WITNESS: Yes, your Honor. She is bottom left of
8 the page.

9 By Ms. Vogel:

10 Q What is your mother's name?

11 A Armenuhi Harutyunyan, A-R-M-E-N-U-H-I, H-A-R-U-T-Y-U-N-Y-A-N.

12 Q Were there other people in whose names you bought real
13 estate?

14 A Yes, ma'am.

15 Q And how many other people?

16 A There were three other people.

17 Q Is one of those people pictured on Exhibit 2?

18 A Yes, ma'am.

19 Q And what is that person's name?

20 A His name is Tony Reyes.

21 Q You bought property in Tony Reyes' name?

22 A I'm sorry. Tim Thomson. I'm sorry.

23 Q Did you engage in real estate transactions with Tony Reyes?

24 A Yes.

25 Q So the person you engaged in purchasing properties is whom?

1 A Tim Thomson.

2 Q Is that the person on the bottom right of the screen?

3 A Yes.

4 Q And two other people as well you said?

5 A There were two other people. Two other people that are not
6 mentioned -- I don't see pictured here.

7 Q Can you look, please, at Exhibit 1, our property and counts
8 chart? That is also the large chart that is up on the easel
9 there. Have you seen that chart before?

10 A Yes, I have.

11 Q And are each of the addresses on this chart properties that
12 you purchased, either in your own name or someone else's name?

13 A Yes, ma'am.

14 Q So are these eight properties eight of the 27 you mentioned
15 earlier?

16 A Yes, ma'am.

17 Q Ms. Ikilikyan, was anyone else involved in the decision to
18 purchase these eight, and the additional properties that you just
19 mentioned?

20 A Yes, ma'am.

21 Q Who was that?

22 A Co-defendant William Poff.

23 Q At the time that you purchased all of these properties, what
24 was your marital status?

25 A We were married then.

1 Q You were married to whom?

2 A To William Poff.

3 Q At the time you purchased all of these properties, all 27,
4 what was your living arrangement?

5 A We were living together.

6 Q Specifically, Ms. Ikilikyan, whose idea was it to buy all 27
7 of these properties?

8 A William Poff.

9 Q What was your understanding of the reason why the defendant,
10 Mr. Poff, wanted to buy all these properties?

11 A His idea was that if you acquire a lot of properties, and
12 figure out a way to maintain it, as in pay for it and maintain
13 it, it would be a great tax write-off. In a few years the
14 advantage would be high, where the properties would be worth a
15 lot more. And it would just be great advantage to -- it is a
16 good way to make money.

17 Q How many properties did you and the defendant buy that were
18 in the defendant's name, Mr. Poff's name?

19 A He has no properties in his name.

20 Q And why is that?

21 A He told me that he had bad credit, and he also had debt that
22 he didn't want to -- he wouldn't qualify because of the debt.

23 Q Understanding that you may have used your credit to be the
24 borrower to buy property, was the defendant, Mr. Poff's name ever
25 listed as a co-owner as a result of your marital status?

1 A Yes, ma'am. He was 50 percent owner of every property that I
2 had.

3 Q Was his name actually listed on any of the deeds as a
4 co-owner?

5 A There was one very last -- it was a mobile home in Yelm that
6 he actually signed half -- as a co-borrower. That is the only
7 one I remember, ma'am.

8 Q So can you explain to us why the defendant, Mr. Poff, if you
9 know, didn't put his name on the deeds as co-owner if the
10 objection had to do with his lack of credit?

11 A He also mentioned that there were issues of child discrepancy
12 (sic). He did not want child support discrepancy (sic). He did
13 not want his name on the properties.

14 Q When you mentioned child support, what child does that have
15 to do with, your child or someone else?

16 A His.

17 THE DEFENDANT: Object. Irrelevant, your Honor.

18 THE COURT: Overruled.

19 By Ms. Vogel:

20 Q You may answer.

21 A His previous children. Him and I didn't ever have children
22 together.

23 Q How would the defendant, Mr. Poff, keep his name off the
24 title when you would purchase property in your name, since this
25 is a community property state?

1 A Most of the lenders required him to sign a quitclaim deed at
2 escrow quitclaiming his interest off.

3 Q Despite those quitclaim deeds, what was your understanding as
4 to who really owned all of those houses?

5 A We both did.

6 Q And by "we both," who do you mean?

7 A The defendant William Poff and myself.

8 Q Ms. Ikiliyan, when you and the defendant, Mr. Poff, bought
9 properties in other people's names, including your mother's, how
10 knowledgeable were those other people about whether their name
11 was being used?

12 A Other people, other than my mom, they did know that their
13 names were being used. We did have their permission. My mother
14 gave us a general permission, as to if we needed her help, she
15 would make herself available. That meant we had her permission,
16 that not each and every time we didn't have to call and ask her.
17 It was very much understood, anything you guys need, I will help
18 you.

19 Q Why did you use other people's names?

20 A The way it was explained to me by my co-defendant, there came
21 a time where you no longer qualify for specific loans. A lot of
22 banks have limits as to how many properties you are able to
23 borrow money for. So it was easier.

24 Q When you purchased properties in other people's names,
25 including your mother's, what was your understanding of who

1 really owned those properties?

2 A The co-defendant and myself.

3 Q How many of the 27 properties that you and the defendant
4 purchased do you still own?

5 A I believe it is nine, ma'am.

6 Q What happened to the properties that you no longer own?

7 A Most of them have gone into foreclosure.

8 Q And what is happening with the properties that you do still
9 own?

10 A They are on the way to being foreclosed upon as well.

11 Q Were there some that were sold before they went into
12 foreclosure?

13 A There were a few properties that were sold, yes, ma'am, long
14 before the payments were stopped being made.

15 Q For the ones that were sold, who got the proceeds from those
16 sales?

17 A The co-defendant and myself did.

18 | THE DEFENDANT: I object, your Honor.

19 THE COURT: The basis?

20 THE DEFENDANT: The basis is that the only time that the
21 alleged co-defendant received any money out of these transactions
22 was as a result of the divorce. The question makes it sound like
23 I received money --

24 THE COURT: That's actually --

25 THE DEFENDANT: I retract that objection, your Honor.

1 By Ms. Vogel:

2 Q Generally speaking, Ms. Ikilikyan, how did you and the
3 defendant pay for all these properties?

4 A Out of an account -- specific account, what used to be
5 Washington Mutual. It was a general account that all the loan
6 proceeds went into. The money came out of that account, ma'am.

7 Q Are you talking about the monthly mortgage payment?

8 A Yes.

9 Q I am asking you more generally, how did you come to be able
10 to afford all these properties? How did you buy them in the
11 first place?

12 A One of the ways that we were able to buy them is, the
13 co-defendant had figured out a way to get money out of each and
14 every -- most each and every loan, and that was the only way we
15 could have acquired this many properties, and keep buying more.
16 So other loans would pay for the other properties.

17 Q When you say "the co-defendant," who are you referring to?

18 A William Poff.

19 Q How were you and the defendant able to obtain all of these
20 loans to buy all of these properties?

21 A The co-defendant, he had access to -- he was a loan officer,
22 and he was able to get stated loans with inflated income. Just
23 different ways that he would qualify me to purchase these
24 properties.

25 Q And by "the co-defendant," again, are you talking about

1 Mr. Poff, the defendant, to be clear?

2 A Yes, definitely.

3 Q To be blunt, Ms. Ikilikyan, how truthful were you and the
4 defendant when it came to getting these loans?

5 A Not very.

6 Q Can you give us generally an idea of what sort of categories
7 or types of untruths you and the defendant used to get these
8 loans?

9 A Yes, ma'am. Some of them we applied for the loans as owner
10 occupied, when in fact we didn't intend to occupy that residence.
11 Incomes were inflated, the names of the defendants were
12 disguised, so the bank really truly didn't know who owned it,
13 whether it was the straw buyer or who. Those were --

14 Q How truthful were you and the defendant in getting these
15 loans when it came to purchase price?

16 A Purchase price as well. The purchase price was also
17 inflated. It wasn't the actual price. It was the negotiated,
18 inflated price to make the loan easier to qualify.

19 Q And how truthful were you and the defendant in getting these
20 loans when it came to representing down payments or sources of
21 down payments?

22 A That's another area where the banks thought a certain amount
23 was going to be brought in, but in actuality most of the cases no
24 funds were brought in.

25 Q How truthful were you and the defendant in getting these

1 loans when it came to representing the total number or the total
2 amount of dollars in loans that were being obtained?

3 A A lot of times it was -- the banks were under the impression
4 that more money was coming in in rents, via inflated lease
5 agreements, to qualify -- to make it easier to qualify for the
6 loan.

7 Q And what about side seller financing agreements, how truthful
8 were you with the banks about whether those existed?

9 A Almost never was seller financing disclosed to the bank.

10 Q How truthful were you with the lenders in getting these loans
11 about where the money went after closing?

12 A I'm sorry?

13 Q How truthful were you and the defendant in the process of
14 obtaining these loans on the subject of where the actual money
15 was going after closing?

16 A Yes, ma'am. A lot of times the banks were under the
17 impression that certain receipts were getting paid or certain
18 companies were getting paid, and in actuality it was Bill Poff
19 and myself getting paid.

20 Q Ms. Ikiliyan, specifically for each of the eight properties
21 that are listed on this chart, Exhibit 1 -- I just want to focus
22 you in on these eight properties out of the 27 now. Who was the
23 person that handled getting the financing for each of those eight
24 properties, or persons if there was more than one?

25 A The first five was Bill Poff. Number six was America One

1 Finance. Number seven did not have a loan. Number eight, it was
2 America One Finance.

3 Q And in the instances where financing was handled by America
4 One Financing, who was the person or persons among you and the
5 defendant who provided information to America One Financing?

6 A For the most part, when it came to income and everything
7 else, it was Bill Poff.

8 Q What was your role then in these transactions?

9 A If an e-mail came in where America One Finance needed
10 something faxed or a phone call made or a specific piece of
11 evidence (sic) faxed into us, the clerical duties was something I
12 would take care of.

13 Q And from whom did you get your directions on what clerical
14 duties you would perform?

15 A Bill Poff.

16 Q Now, your role wasn't limited just to clerical duties. What
17 other roles did you perform on the real estate side?

18 A On the real estate side, for the most part I was the one who
19 completed the purchase and sale agreements.

20 Q Ms. Ikiliyan, what was your profession back in the year
21 2000, when you first met the defendant, Mr. Poff?

22 A I was a full-time student, ma'am.

23 Q And what was the defendant Mr. Poff's profession when you
24 first met him?

25 A He was in the United States Marine Corps.

1 Q Do you know what his job was in the Marine Corps?

2 A Yes. At the time he was a journalist, a marketing --

3 Q Is he still in the United States Marine Corps?

4 A No, he is not.

5 Q When approximately did he separate?

6 A He told me he approximately separated August of 2000.

7 Q What did the defendant Mr. Poff do for a living immediately
8 after that?

9 A Immediately after that he worked for a marketing company in
10 Seattle.

11 Q And how long did that job last?

12 A I believe a few months.

13 Q And what did he do for a living after that?

14 A He started learning loans for a broker in University Place,
15 Washington. His name was Robert Warnock.

16 Q When you say "learning loans," what do you mean?

17 A Robert Warnock had expressed to Bill that Bill would do great
18 in loans and sales. So he offered him to come in, and he would
19 show him the ropes, so to speak. He would show him the
20 profession, and in turn he would get half the commission of the
21 loans that he would close with Robert Warnock.

22 Q Approximately how long did that job last for Mr. Poff?

23 A I would be speculating, but under a year, ma'am.

24 Q What did Mr. Poff do for a living after he stopped working
25 doing loans with Robert Warnock?

1 A He wanted to continue doing loans, so I believe that's when
2 he and I went to Cyber One Mortgage, spoke with a broker and
3 asked them if we could use their license and be loan officers.

4 THE DEFENDANT: Objection to what she believes.

5 THE WITNESS: That's what we did.

6 THE COURT: Why don't you rephrase your question.

7 By Ms. Vogel:

8 Q Can you give us an approximation of what -- My question I
9 think was, what did Mr. Poff do for a living after he stopped
10 working with Robert Warnock?

11 A He continued to be a loan officer.

12 Q And for what company did he work?

13 A Cyber One Mortgage.

14 Q And do you know approximately when it was that he went to
15 work there?

16 A Approximately, I would say -- Can I speculate and say --

17 Q Give us your best estimation.

18 A Between 2002 and 2003, ma'am.

19 Q Did you eventually follow the defendant, Mr. Poff, into the
20 real estate profession?

21 A Yes, I did, ma'am.

22 Q And why did you choose to go into real estate as a
23 profession?

24 A For one thing, he always mentioned that this is a good fit, I
25 could do the real estate and he could do the loans. It is

1 better -- the money was better essentially. At first I was not
2 interested, but I came to be very interested after we closed two
3 properties that we bought together.

4 Q We will talk about that in a second. When was it that you
5 decided to go into real estate?

6 A I got my first real estate license in August of 2003.

7 Q Ms. Ikiliyan, at that time, August of 2003, when you got
8 your first real estate license, where were you and the defendant
9 living?

10 A We were living with my mother in Bellevue, Washington.

11 Q And what sort of housing were you living in?

12 A We were living in Section 8 housing.

13 Q Is that an apartment?

14 A Yes.

15 Q And by "Section 8," what do you mean?

16 A It is government -- I believe it is -- where they held the
17 low income families.

18 Q How many people, in addition to yourself and the defendant,
19 Mr. Poff, were living in that apartment?

20 A Two more, ma'am.

21 Q And who were they?

22 A My mother and my brother.

23 Q And when you say "your mother," is that Armenuhi Harutyunyan,
24 the person whose photo we saw?

25 A Yes, ma'am.

1 Q Does your mother still live in that Section 8 apartment
2 housing in Bellevue?

3 A Yes, she does, ma'am.

4 Q At any point between, let's say, 2000 and mid 2008, did your
5 mother move out of that Section 8 housing?

6 A Not once, ma'am.

7 Q You mentioned a moment ago that you changed your mind about
8 going into real estate after you bought a house. Can you explain
9 to us what happened and how that changed your mind?

10 A Yes, ma'am. The first two -- I would like to say, not the
11 first two, but the first two investment properties that we
12 actually purchased, I noticed that the commissions were a good
13 amount. At the time, I personally wasn't too involved in making
14 money, so I thought this is something I could do to help our
15 family.

16 Q And when was it that you bought those first houses? Was it
17 before or after you got your real estate license?

18 A Before.

19 Q And for those first two investment houses, whose idea was it
20 to buy them?

21 A It was Bill Poff.

22 Q Who was the buyer on paper?

23 A I was.

24 Q Prior to that, had you ever purchased a house?

25 A There was another house we actually purchased to live in, to

1 occupy.

2 Q Where were you working at the time you and the defendant
3 bought those first few houses, before you got the real estate
4 license?

5 A Well, when we went to Cyber One, I was supposed to be the
6 loan officer officially, but in actuality I was not working. Oh,
7 just the Marine Corps, I'm sorry. Just the Reserves.

8 Q The Marine Corps Reserve?

9 A Yes.

10 Q Can you give us an estimate of what your income was from the
11 Marine Corps Reserves?

12 A Less than \$100 a month.

13 Q Did you have any other sources of income at that time?

14 A Maybe student loans.

15 Q How is it you were able to buy two investment homes in your
16 name?

17 A Since I had very good credit, Bill Poff had found a way where
18 you just state your income -- just inflate your income, and you
19 would qualify for the loan.

20 Q After you decided to get your real estate license, did you
21 indeed work as a real estate agent?

22 A Yes, I did.

23 Q For what agency?

24 A For Dove Realty.

25 Q And approximately what dates did you work for Dove Realty?

1 A It was, I believe, 2003 until 2006.

2 Q During that time period that you worked for Dove Realty, were
3 some of the properties you were involved in -- some of the
4 transactions you were involved in among the 27 that you have
5 described earlier?

6 A Yes, ma'am.

7 Q Once you started working at Dove Realty -- I'm sorry. Let
8 me rephrase that. You mentioned earlier the defendant was
9 working for Cyber One. At some point did he switch to another
10 loan brokerage?

11 A Yes.

12 Q What was that?

13 A Victory Home Mortgage.

14 Q And do you remember approximately when that was?

15 A That date is unclear, ma'am. It was after Cyber One.

16 Q Who owns the business Victory Home Mortgage?

17 A It is believed Dan Truini.

18 Q When you say "it is believed" --

19 A Dan Truini.

20 Q How do you spell Truini?

21 A T-R-U-I-N-I.

22 Q At some point did you seek an additional real estate related
23 license?

24 A Yes, ma'am.

25 Q What were those?

1 A That's when I received -- I went to school and got my
2 broker's license, took the test with the State, and also U.S.
3 mortgage license. The dates were February of 2006 for the
4 mortgage, and April of 2006 for U.S. realty.

5 Q So there were two licenses. Can you tell us again what they
6 were?

7 A Yes. The mortgage broker's license, which was obtained
8 February of 2006, and the real estate broker's license was
9 obtained April of 2006.

10 Q And why is it that you decided to go back to school and get
11 these two licenses?

12 A For the mortgage broker's license, Bill was having a lot of
13 problems with the brokers that he was working with. Actually,
14 one broker he was working with, Victory Home Mortgage. Victory
15 Home Mortgage had asked him to stop doing loans in their name.
16 He just thought -- we both thought it would be easier if we just
17 have our own company, then we don't have to answer to anybody
18 else as a broker.

19 Q So once you obtained your mortgage broker license, what did
20 you do?

21 A Then we started continuing -- buying properties, except for
22 this time it was in our company's name instead of the other
23 brokers' names.

24 Q What was the name of the company you and the defendant opened
25 as a mortgage brokerage?

1 A U.S. Mortgage and Investments, LLC.

2 Q And after you obtained your real estate broker's license in
3 February of 2006, what company did you open?

4 A U.S. Realty and Investments, LLC.

5 Q Did you continue working for Dove Mortgage after that?

6 A No. That's when I became -- I moved on from Dove to our own
7 company.

8 Q Whose name were both of these businesses, U.S. Realty and
9 Investments, and U.S. Mortgage and Investments, in?

10 A It was solely in my name.

11 Q And why was that?

12 A Again, Bill Poff did not want to show income.

13 Q Who else worked as employees of either of these businesses,
14 U.S. Realty and Investment or U.S. Mortgage and Investment?

15 A For U.S. Realty and Investments there was -- one of the loan
16 officers expressed an interest to use our license, and he
17 proceeded to fill out the paperwork. But that's as far as it
18 went. We told him that it is probably not a good idea, and we
19 are not interested in having loan officers. So other than that,
20 nobody else.

21 Q Who was the loan officer then for all the loans brokered
22 through U.S. Mortgage and Investment?

23 A Bill Poff.

24 Q Is that the defendant?

25 A Yes.

1 Q And who was the loan processor for all the loans brokered
2 through U.S. Loan and Investment (sic)?

3 A Bill Poff.

4 Q What did you pay the defendant as his salary for his work for
5 U.S. Loan and Investment?

6 A Nothing.

7 Q What sort of commissions did he earn for his work as a loan
8 officer with U.S. Loan and Investment?

9 A No commissions.

10 Q Why didn't you pay him anything?

11 A Any and all proceeds from the loans came to that general
12 account that was -- even though it was solely in my name, that is
13 the salary that him and I both lived on.

14 Q Now, at some point did you and the defendant stop processing
15 loans through U.S. Loan and Investment?

16 A Yes.

17 Q Can you tell us approximately when it happened?

18 A It was right around the time of 2007, is when the State
19 required that every loan officer be licensed. That's when Bill
20 Poff stopped doing loans all together.

21 Q And so after that occurred, where did you start processing
22 loans through?

23 A We started using America One Finance to close the
24 transactions.

25 Q Was either of you registered with America One Finance as a

1 loan officer?

2 A Yes, ma'am.

3 Q Which of you or who?

4 A I was.

5 Q And why was that?

6 A Again, the same concept, he did not want his name anywhere on
7 anything, including a person that showed to receive any type of
8 income.

9 Q When you registered as a loan officer with America One
10 Finance, who did you believe was the person who would actually be
11 doing the loan officer work?

12 A Bill Poff.

13 Q Can you give us an idea of how many loans, if any, you and
14 the defendant actually obtained through America One Finance?

15 A I would like to say, speculating, under ten loans.

16 Q Speculating means you are wildly guessing. Are you giving us
17 your best estimate, or are you wildly guessing?

18 A Not too wildly guessing.

19 Q Can you give us a range you feel confident maybe the number
20 falls within?

21 A Sure. There was one, two, three, four -- two in this are
22 coming to mind. There was a second mortgage, and I believe a
23 refinance. Those numbers are really -- those properties are
24 coming to me strongly. The rest of them, I don't want to say
25 four and have it be six or seven. I do know it didn't exceed

1 ten, I don't think.

2 Q So maybe somewhere between four and ten; is that fair?

3 A Yes, ma'am.

4 Q Were some of those loans for purchases of property bought by
5 yourself and the defendant?

6 A Yes, ma'am.

7 Q Who was the person you and the defendant primarily dealt with
8 at America One Finance?

9 A It was 50/50, ma'am. Tony Reyes -- The properties that were
10 purchased for ourselves, Tony Reyes was the loan officer on
11 paper. But the most person that we really spoke with was Emil
12 Anderson, who was believed to be the processor for America One
13 Finance.

14 Q How were you first introduced to America One Finance?

15 A Through Tony Reyes.

16 Q If we could look at Exhibit 2, please? Is Mr. Reyes pictured
17 on this chart?

18 A Yes, ma'am. The top very right corner.

19 Q What is your relationship with Mr. Reyes?

20 A He was co-agent. All three of us bought properties together,
21 even though straw buyers were being used. He was a friend and
22 fellow loan officer.

23 Q When you say "co-agent," what do you mean?

24 A Sometimes -- like four properties I can think of where my
25 name -- I cannot be the actual agent on paper, but Tony Reyes

1 agreed to be the agent. So he would fulfill the conditions for
2 the banks. Him and I worked together as agents.

3 Q Were there also instances where you and Mr. Reyes bought or
4 sold properties to or from each other?

5 A Yes, ma'am.

6 Q Can you give us an idea of how many times that happened?

7 A Five or six properties.

8 Q During the time period that you and the defendant were
9 getting loans through America One Finance, and for those loans
10 where you were actually the buyer, who would be your loan officer
11 on paper?

12 A Tony Reyes.

13 Q And why is that?

14 A Because I couldn't -- The way it was understood to me, you
15 can't be the buyer -- the person qualifying for the loan and the
16 loan officer on paper.

17 Q And in those instances where Mr. Reyes was the loan officer
18 on paper, who was it that actually did the loan officer work,
19 such as filling out the application?

20 A Bill Poff.

21 Q Are you still working with America One Finance today?

22 A No, I'm not, ma'am.

23 Q When did you and the defendant stop working with America One
24 Finance?

25 A Right after the purchase of 3825 South 345th Street. I'm

1 sorry. I take that back. There was one other loan that was
2 acquired through America One Finance. I believe it was August
3 of 2008, and after that.

4 Q So none after 2008?

5 A No.

6 Q Ms. Ikiliyan, to your knowledge what professional licenses
7 does the defendant or did the defendant, Mr. Poff, have?

8 A Bill Poff has -- had a notary license.

9 Q Are you also a licensed notary in the State of Washington?

10 A I used to be, ma'am.

11 Q Can you explain to us what a notary allows you to do -- a
12 notary license allows you to do?

13 A In my opinion, a notary -- a person who holds the notary
14 license is somebody who watches a third-party sign paperwork, and
15 they acknowledge that they have signed at a specific place and
16 location, and they notarize their signature.

17 Q Is there some sort of stamp or seal that goes along with
18 that?

19 A Yes.

20 Q Did Mr. Poff have one of those?

21 A Yes, he did.

22 Q Do you know why the defendant wanted to be a notary?

23 A A lot of times -- The clients that we had, a lot of times
24 they had specific job schedules where they were off after 5:00,
25 and Great American Escrow and other companies were closed at that

1 time. So it made it convenient for Bill Poff and myself to meet
2 with the clients to sign them after hours, weekends, whereas
3 companies were limited to -- as to what hours they are open.

4 Q Was there any way to make money from being a notary?

5 A Yes, ma'am. He actually did have a little side job with --
6 he signed -- it was believed -- he signed up with a company
7 online, where he would notarize loan paperwork for different
8 companies. And he would get a fee for each time that he signed
9 and notarized that paperwork.

10 Q Can you give us an idea, if you know, how much money Mr. Poff
11 made from this side notary business?

12 A I would be speculating, and say that it was probably one or
13 \$2,000 a year.

14 THE DEFENDANT: Objection. Speculation.

15 THE COURT: Sustained.

16 By Ms. Vogel:

17 Q Ms. Ikiliyan, I don't want you to speculate. If you don't
18 know precise figures, it is okay for you to give us your best
19 estimate, if you know?

20 A Yes, ma'am. It was approximately up to \$100 per signing, and
21 he did one signing every few months.

22 Q How often did you use your notary license?

23 A I don't believe I used it very much, but I have used my
24 notary before.

25 Q Why is it that you didn't use yours?

1 A I was namely the purchaser and the buyer of these properties.

2 There was just no need.

3 Q To your knowledge did the defendant, Mr. Poff, ever become a
4 mortgage loan officer or get a broker license?

5 A He did not, ma'am.

6 Q Are you aware of whether he ever sought a license?

7 A He did not, no. I started the process for him, but he did
8 not wish to continue. The application was made but not followed
9 up with.

10 Q Throughout this entire period that we have been discussing
11 that you worked with the defendant, Mr. Poff, in the mortgage
12 loan field, up until you separated, what other jobs or
13 professions, other than doing loans, did the defendant, Mr. Poff,
14 engage in?

15 A He did not have any other jobs, ma'am.

16 Q Other than that side notary business?

17 A Yes. No other jobs.

18 Q Ms. Ikiliyan, have you ever personally obtained a business
19 license in the State of Washington?

20 A Me personally? Applied for? No.

21 Q How familiar are you with the process of registering a
22 business with the State of Washington?

23 A I'm not.

24 Q Are you familiar with the name Fidelis Enterprises?

25 A Yes, ma'am.

1 Q **What is that?**

2 A **It is a business licenses that Bill Poff had started for me.**

3 Q **When approximately was that?**

4 A **I would like to say 2002.**

5 Q **And you don't sound entirely sure. Is that your best**

6 **estimate?**

7 A **Between 2002 and 2003.**

8 Q **And who owns this business, Fidelis Enterprises?**

9 A **I do, ma'am.**

10 Q **What business has Fidelis Enterprises conducted?**

11 A **No business at all.**

12 Q **What business has Fidelis Enterprises generated?**

13 A **None.**

14 Q **Why was Fidelis Enterprises registered?**

15 A **It was registered to qualify stated loans.**

16 Q **Are you familiar with the name Hay Computer Networking &**

17 **Consulting?**

18 A **Yes, ma'am.**

19 Q **What is that?**

20 A **The same business license for my mother was created by Bill**

21 **Poff to qualify for the same type of loans for my mother.**

22 Q **How do you know it was created by the defendant, Mr. Poff?**

23 A **Everything that had to do with loans, for the most part,**

24 **creating paperwork, businesses, was created by Bill Poff.**

25 Q **Did you ever have any discussions with the defendant,**

1 Mr. Poff, about creating Hay Computer Networking and Consulting?

2 | A Yes.

3 Q Who is the owner of this business?

4 A It is Armenuhi Harutyunyan, my mother.

5 Q Why was Hay Computer Networking & Consulting established?

6 A To qualify for stated loans only.

7 Q What was the State of Washington told about when Hay Computer
8 Networking & Consulting began doing business?

9 A Two years prior than the actual date that the license was
10 created.

11 Q And why is that?

12 A To backdate the license, because one of the qualifications
13 for the bank was that the business license would have to be two
14 years or older.

15 Q Let me back up. What revenue was Hay Computer Networking &
16 Consulting generating?

17 A No revenue at all.

18 Q What income did your mother realize from this business?

19 A She never realized income from it.

20 Q Why a computer business?

21 A It was explained to me by Bill Poff that there are certain
22 professions that lenders don't ask any more questions to, such as
23 landscaping or computers. Otherwise if he would have put general
24 contracting, they would require a professional license and other
25 forms of -- people who vouch for the business. It was just

1 easier to get and not be asked too many questions.

2 Q I would ask you to look, please, at Exhibit 13. I believe
3 this was admitted yesterday as a certified public Department of
4 Revenue record. Prior to preparation of this trial, had you ever
5 seen this letter before?

6 A I did not, ma'am.

7 Q And can you just tell us what it is?

8 A There appears to be a correction of opening date for the
9 business Hay Computer Networking & Consulting.

10 Q To whom is this letter addressed?

11 A It is addressed to the Department of Revenue.

12 THE DEFENDANT: Objection. Speaks for itself.

13 THE COURT: I will permit the question. The objection
14 is well taken, counsel. Where are we going with this?

15 MS. VOGEL: I am just trying to establish for the record
16 what it is, and then I will ask her whether she has ever seen it.

17 THE COURT: Why don't we ask her if she has ever seen
18 it, and move on from that?

19 By Ms. Vogel:

20 Q Ms. Ikiliyan, did you write this letter?

21 A I did not, no.

22 Q Did you sign this letter?

23 A I did not.

24 Q Do you recognize any of the handwriting on this letter?

25 A Yes, I do.

1 Q Whose handwriting is above the signature, if you know, on the
2 signature line?

3 A It is my mother's.

4 Q And do you recognize the handwriting at the bottom?

5 A Yes, I do.

6 Q Can you tell us, in your opinion, whose handwriting that
7 looks like?

8 A It looks to be Bill Poff's handwriting.

9 Q Did you write that on there where it says, "Please call
10 Alexis at"?

11 A I did not.

12 Q Do you recognize the fax header at the top of the page?

13 A Yes.

14 Q It says "Alexis."

15 A It was our fax machine. It was registered under my name.

16 Q When you say "our fax machine," where was that fax machine,
17 physically?

18 A In Bellevue, Washington, at my mother's house.

19 Q Who lived there with you?

20 A Bill Poff, myself, my mother and my brother.

21 Q When you moved away from that apartment, did you take the fax
22 machine with you?

23 A Yes, we did.

24 Q Ms. Ikiliyan, I don't want to ask you about these various
25 real estate transactions that you and the defendant engaged in.

1 I want to ask more specifically, what was the actual work that
2 each of you did? What was your agreement with the defendant
3 about what role you would perform as a part of each of these
4 purchases?

5 A Yes, ma'am. My role solely was to create -- to create the
6 purchase and sale agreements, to negotiate the prices with
7 listing agents. Mainly to create the paperwork for the real
8 estate purchase and sale agreements. As soon as we had
9 negotiated a contract on paper, then it would be turned over to
10 Great American Escrow, that directed where the escrow should be
11 started. So I faxed the paperwork to them and started the escrow
12 process, and also gave a copy of the signed purchase and sale
13 agreement to Bill Poff for him to begin the loan paperwork.

14 Q So what was your agreement with the defendant about what
15 roles he would perform as part of these purchases?

16 A As the processor, and the loan officer for most of the
17 transactions. And he would negotiate rates and things such as
18 that nature with the bank directly.

19 Q What criteria were you and the defendant looking for when
20 selecting property?

21 A The first choice would have been a seller financing, seller
22 carryback. If that was not available, the second --

23 Q What was the next criteria?

24 A The next criteria was a property that had a lot more equity
25 than listed, so the purchase and sale price would be inflated to

1 make the loan easier.

2 Q And why were these factors important in your selection
3 process?

4 A To get the most amount of loans -- money at closing as
5 possible.

6 Q When you found a potential property online or on MLS that met
7 these criteria, what would you do?

8 A I personally would call the listing agent on file and proceed
9 to negotiate these terms, to see if the sellers -- first if they
10 were in a position to do the seller carryback, and, if so, what
11 was the amount they would go up to. And if they had any more
12 than -- if they had a lot more detailed questions about the loan,
13 then I would have Bill Poff explain the actual terminology to
14 them. But if they did not have questions, my explanation was
15 good enough, then I would proceed to do the paperwork and they
16 would present exactly what I told them to their clients, and
17 proceed to have a signed purchase and sale.

18 Q Who actually wrote the information into the purchase and sale
19 agreements?

20 A I personally did.

21 Q Was there a special form that you used for that?

22 A Yes. It is a contract on Northwest MLS.

23 Q What about the seller financing that you mentioned, where on
24 the purchase and sale agreement does that get written down?

25 A There is a specific addendum. It is called a payment and

1 term addendum that specifies how much seller receives at closing,
2 and the actual interest rate is listed on there, and amount of
3 payments. The payment amount is on there, and commencing on what
4 day the sellers would receive payments.

5 Q When you would submit or transmit purchase and sale
6 agreements on properties that you had found, what part of that
7 payment and terms addendum that you just described as containing
8 that seller and finance agreement would go along with your
9 original offer?

10 A It would be sent over to escrow -- the escrow process of the
11 full contract. And as far as the loan, the bank would never see
12 the payment term addendum.

13 Q What about the potential seller, what would they get when you
14 would transmit an offer to them?

15 A They would receive the payment term addendum.

16 Q Along with the purchase and sale agreement?

17 A Yes.

18 Q Can you estimate what percentage of the offers you wrote up
19 for purchases by you and the defendant, including seller
20 financing terms, as part of the original offer?

21 A I would say, guesstimating, 50/50, maybe more.

22 Q And who would you consult with prior to filling out this
23 purchase and sale agreement?

24 A All of the terms were consulted with Bill Poff prior.

25 Q What would you do once you obtained an acceptance on an

1 offer?

2 A I would take the signed purchase and sale contract, send one
3 copy to escrow to begin to start the escrow process, and the
4 other copy would go to Bill Poff so he could proceed to close the
5 loan.

6 Q And what involvement did you have in what you just termed
7 closing the loan?

8 A Very limited, ma'am. My involvement personally was a lot
9 more clerical than, for example, answering the phones if the bank
10 called, and putting Bill -- connected them together, faxing loan
11 documents to the bank, things of that nature.

12 Q Ms. Ikiliyan, are you familiar with the 1003 form or loan
13 application form?

14 A Yes, ma'am.

15 Q What was your role when it came to putting information into
16 those forms?

17 A None.

18 Q So who filled those forms out for the purchases where you
19 were named as the borrower?

20 A Bill Poff.

21 Q Who filled those forms out for purchases where your mother
22 was named as the borrower?

23 A Bill Poff.

24 Q After the defendant filled out those 1003 loan application
25 packets, what would he do with them?

1 A He would send the disclosures and that information, a copy of
2 an appraisal and title to the bank to qualify for a specific loan
3 program that he had already negotiated with the bank.

4 Q Do you know how he sent those to the bank?

5 A He faxed it. He typically faxed it or e-mailed it -- faxed
6 it and e-mailed it to his own computer, and sent it via e-mail.

7 Q What was your primary e-mail address during this time period?

8 A I didn't have a primary e-mail address. Bill Poff and I had
9 two e-mail addresses that we both used.

10 Q And what were those e-mail addresses?

11 A One was Fidelis WW at MSN dot com, the second one was USMR at
12 Comcast dot net.

13 Q Was there one that you used more than the other, or one the
14 defendant used more than the other?

15 A No, ma'am, it was both accounts -- accounts that we both had
16 access to and used.

17 Q What would happen after the 1003 and other initial loan
18 documents had been sent over to the lender?

19 A Then we would normally receive either an approval letter with
20 conditions or a denial letter.

21 Q And if you received an approval letter with conditions, what
22 was your role in fulfilling those conditions?

23 A Again, they were limited. If things entailed such as the
24 borrower needs, for example, W-2 forms, then he would ask me,
25 Alexis, can you call the client to get W-2s.

1 Q Who would ask you?

2 A Bill Poff would. It was to that degree. I never really
3 finished loans. I never started loans or finished them. It was
4 really Bill Poff's area of practice.

5 Q What would happen if or when all the conditions had been
6 fulfilled?

7 A Then the bank would send out a form that was called the doc
8 request form for the documents to be sent to the escrow office
9 that was agreed by all the parties. I believe, with limited time
10 later, the documents would be received by an escrow company.

11 Q And once the final documents had been generated and received,
12 who was in charge of getting all the parties signed?

13 A For the most part it was Micki Thompson at Great American
14 Escrow.

15 Q Were there occasions when Micki Thompson was not the person
16 who got the document signed?

17 A Yes.

18 Q And on those occasions, who was the person who did that?

19 A Bill Poff.

20 Q You mentioned Great American Escrow. Was there one
21 particular escrow company that you worked with primarily?

22 A Yes, ma'am.

23 Q What was it?

24 A Great American Escrow.

25 Q Where was it located?

1 A In Federal Way, Washington.

2 Q Who was the primary escrow closing officer at Great American
3 Escrow?

4 A Micki Thompson.

5 Q Can you look, please, at Exhibit 2? Is she on this chart as
6 well?

7 A Yes, ma'am, the top third picture, towards the right.

8 Q At Great American Escrow, who would prepare the settlement
9 statements?

10 A Micki Thompson.

11 Q Why did you and the defendant use Micki Thompson at Great
12 American Escrow, primarily?

13 A She was very flexible. She was very familiar with the seller
14 carrybacks. She helped the process to go a lot smoother. And
15 she bent the rules.

16 Q You said she bent the rules?

17 A Yes.

18 Q What specifically would she do that was bending the rules
19 that would help you?

20 A She would -- she knew that a lot of the seller carryback
21 money would eventually come to Bill Poff and I, so she accepted
22 promissory notes and fictitious receipts when she knew those
23 receipts were not -- they were not legit.

24 Q Can you explain to us the purpose of these fictitious notes
25 and receipts?

1 A Yes, ma'am. She said that she is a neutral third-party, and
2 she would have to have a reason why, instead of the seller, who
3 on paper is supposed to receive the funds -- instead of the
4 seller, the buyer receiving these funds. So she would accept
5 these receipts as a reason why the buyer should receive funds
6 instead of where it was supposed to go.

7 Q Where would she get these receipts?

8 A She would get these receipts from Bill Poff.

9 Q How do you know that?

10 A I watched him do it.

11 THE COURT: Counsel, when you are at a good time for a
12 morning break.

13 MS. VOGEL: Why don't we do that?

14 THE COURT: Ladies and gentlemen, we will take our
15 morning break at this time. We will be back out at 10:45. We
16 will be at recess.

17 (At this time a short break was taken.)

18 THE COURT: You may resume, counsel.

19 By Ms. Vogel:

20 Q Ms. Ikiliyan, at the closing on these transactions,
21 particularly these eight on our chart, would you ever see the
22 HUD-1 settlement statements?

23 A Yes, ma'am.

24 Q On any occasion did you see things in those settlement
25 statements that were not true?

1 A Yes, ma'am.

2 Q Who put those things in some of those statements?

3 A Micki Thompson.

4 Q How did Micki Thompson know what to put in the settlement
5 statements?

6 A She was guided by Bill Poff from our end, and also what the
7 banks directed as well.

8 Q How do you know that she was guided by the defendant,
9 Mr. Poff?

10 A I was there, ma'am.

11 Q What did you see or hear?

12 A A lot of times Bill Poff and myself were in escrow, and a
13 HUD-1 settlement might have stated the seller carrybacks or other
14 things that were not supposed to be there for the bank to see.
15 He would ask her to remove those numbers.

16 Q Who would ask who?

17 A Bill Poff would ask Micki Thompson to remove the sums.

18 Q And you heard this yourself?

19 A Yes.

20 Q Physically, where were you when this conversation took place?

21 A At Great American Escrow in Micki Thompson's office.

22 Q How long would that type of session take?

23 A Hours.

24 Q Who else would be there?

25 A For the most part, it was Micki Thompson, myself and Bill

1 Poff. Often -- there were seldom times when Tony Reyes was there
2 as well, but not typical.

3 Q How were you able to persuade Micki Thompson to go along with
4 this?

5 A After each closing Micki Thompson would receive a small fee
6 from Bill Poff and myself, because she had mentioned numerous
7 times that she works two, three times harder than a regular loan,
8 and she only gets paid a certain amount. It was almost like sort
9 of a take for each transaction. I believe that had something to
10 do with it. There was a lot of working relationship, so she did
11 that.

12 Q How much money were these tips that you just described, after
13 closing?

14 A Typically it was one to \$200 per transaction. That was
15 typical. There were times where -- On one occasion there was an
16 \$800 tip, but it totaled over \$10,000.

17 Q And who was it physically that would give her this money?

18 A I would.

19 Q And what, if any, was the defendant's involvement in
20 providing these tips?

21 A He would know the amount, and I would just -- I was the only
22 one on the check -- on the bank account, so I would have.

23 Q And where would these transfers of these tips take place?

24 A In the escrow office, in Micki's office.

25 Q What form would the money be in?

1 A It was mainly checks.

2 Q And who wrote the checks?

3 A I did.

4 Q Was there any occasion where you and the defendant or you
5 separately provided more than just a few hundred dollars?

6 A There was one occasion where she got -- I believe it totaled
7 10,000 -- that one time it was \$10,000. Most of it was a check,
8 and the other funds were in cash.

9 Q And who was involved in the decision to give her that
10 \$10,000?

11 A Bill Poff and myself.

12 Q On average, Ms. Ikiliyan, how much cash from closing were
13 you and the defendant able to walk away from a transaction with?

14 A On average, it was 40- to \$60,000. That was an average.

15 Q Do you remember what the most you ever made from closing on
16 one purchase transaction was?

17 A Yes, ma'am. It was \$400,000, at one time.

18 Q Was that one of the properties on our chart?

19 A Yes, ma'am.

20 Q Which one?

21 A Number 6, 9488 199th Avenue South in Issaquah.

22 Q How would that money be paid to you and the defendant
23 following closing, generally speaking?

24 A Generally it was wired -- a wire to the bank account.
25 Sometimes it was Micki Thompson that would cut checks.

1 Q Ms. Ikiliyan, are you still employed in the real estate
2 field?

3 A I am not.

4 Q Why not?

5 A Shortly after the divorce -- I sold one other house where I
6 was just the selling agent, not involved with financing at all,
7 and I lost interest. Frankly, I don't know how to do the loans
8 from start to finish, so it was really a team thing with Bill
9 Poff. So after that --

10 Q Are you still licensed as a real estate agent or real estate
11 broker today?

12 A I am not.

13 Q Why is that?

14 A Well, because of this proceedings. The Department of
15 Licensing seized my license.

16 Q Is that also true for your mortgage broker's license?

17 A Yes, ma'am. I believe that happened February of 2008,
18 earlier than this. Yes, it's true.

19 Q So you have lost both of your professional licenses?

20 A Yes.

21 Q You mentioned the Department of Licensing. What Department
22 of Licensing are you talking about? What state or federal agency
23 are you referring to?

24 A Washington Department of Licensing.

25 Q And what is it that they regulate, if you know?

1 A Only real estate agents/brokers.

2 Q Was there an administrative investigation by the Department
3 of Licensing into your license?

4 A Yes, ma'am.

5 Q And what was the result of that investigation?

6 A I had four months' administrative -- where the broker's
7 license was suspended and a \$2500 fee to reinstate the license.

8 Q And was that a result of the same conduct that is the subject
9 of this trial? Was that for other stuff other than what we are
10 talking about in this trial, or was it for all the same stuff?

11 A I believe that was something different than these. I'm
12 sorry. I take it back, it was the same, price change.

13 Q Was there a particular transaction or transactions that was
14 the focus of the administrative Department of Licensing
15 investigation?

16 A Yes, ma'am.

17 Q And are any of those transactions on our chart -- our
18 property chart?

19 A It is not, no.

20 Q No?

21 A No.

22 Q Was it one of those 27 purchases that you mentioned earlier?

23 A That property did not close, so it was not.

24 Q Ms. Ikiliyan, during the administrative investigation by the
25 Department of Licensing, were you asked a series of questions or

1 asked to provide answers through your lawyer to the
2 investigation?

3 A Yes, ma'am.

4 Q And how honest were you with that investigator?

5 A I was not very honest with her, ma'am.

6 Q Can you explain to us why that was?

7 A I wanted to protect what Bill and I had done. Also, at the
8 time, I believed that we were the victims. So I wanted to
9 protect -- I felt very much attacked by the investigator, not
10 knowing that there is a lot deeper things that were happening. I
11 felt that we were being picked on, so I wanted to defend
12 everything. So I was afraid to tell the truth, so to speak, to
13 her.

14 Q Can you describe how your understanding of the conduct that
15 you and the defendant engaged in has changed since the time that
16 you were interviewed by the Department of Licensing?

17 THE DEFENDANT: Objection to relevance.

18 THE COURT: I am going to sustain the objection because
19 I don't understand the question. Why don't we try rephrasing it?

20 By Ms. Vogel:

21 Q Ms. Ikiliyan, do you have any regrets about having lied to
22 the Department of Licensing investigator?

23 A Yes, ma'am.

24 Q And then after that investigation was concluded, were you
25 arrested and charged in this case in June of 2009?

1 A Yes, ma'am.

2 Q And have you entered a guilty plea with a cooperation
3 agreement?

4 A Yes, I have, ma'am.

5 Q Have you been sentenced yet?

6 A Not yet, ma'am.

7 Q I want to direct your attention, Ms. Ikilikyan, to the very
8 first property on Exhibit 1, line 1 there. There are three
9 addresses on that line. Are you familiar with the properties --
10 Can we put Exhibit 1 up on the screen? Are you familiar with the
11 properties described on line 1 of this chart, Exhibit 1?

12 THE COURT: Counsel, hold on just a second. Mr. Poff,
13 there is a big television behind you which is intended to allow
14 people in the audience to see what is going on. Can we move that
15 chair, which is normally occupied by an attorney or a U.S.
16 Marshal, and tilt it so the audience can see. Thank you, sir.
17 Sorry, Ms. Vogel. Please continue.

18 By Ms. Vogel:

19 Q Ms. Ikilikyan, are you familiar with the properties described
20 on line 1 of that chart?

21 A Yes, I am, ma'am.

22 Q How are you familiar with it?

23 A These are properties Bill Poff and I purchased in my name,
24 the duplexes.

25 Q And when was that, approximately? Was that on April 25th,

1 2005, as is listed on the chart?

2 A Yes, ma'am.

3 Q Is that consistent with your recollection?

4 A Yes, it is.

5 Q Whose decision was it to buy these duplexes?

6 A Bill Poff and myself, ma'am.

7 Q And there are three duplexes listed here. Was there a fourth
8 as well?

9 A Yes, ma'am.

10 Q Why was that separated from the purchase of these other
11 three?

12 A I believe the loan was in my name for the fourth one. I
13 believe there was a typo where it got filed with the title as my
14 mom as the owner. That was a typo. That was a mistake.

15 Q Was there some time period that elapsed between when these
16 three closed and when the fourth one closed?

17 A Yes, ma'am.

18 Q Can you look, please, at Exhibit 100? Do you recognize the
19 home depicted in this exhibit?

20 A Yes, I do.

21 Q What is it?

22 A It is one of the duplexes.

23 Q And when you say "one of the duplexes," is it one of the
24 three duplexes listed on line 1 of Exhibit 1?

25 A Yes, it is.

1 Q Did you actually go out and visit these duplexes prior to
2 purchasing them in April of 2005?

3 A No.

4 Q Have you visited them thereafter?

5 A Yes.

6 Q And how does this photograph of the duplex compare with the
7 condition they were in when you purchased them?

8 A They were in a little bit better quality when we purchased
9 them in '05.

10 Q Going back to Exhibit 1, please. Ms. Ikiliyan, do you
11 recall any difficulty during the purchase relating to the precise
12 street address of these duplexes?

13 A Yes, ma'am.

14 Q Can you explain that?

15 A The way I remember is, the bank had a specific address
16 because they were going off of the title. The police and fire
17 department had an address that could actually get them to that
18 property. It was just there was confusion with the address.

19 Q What other street names have you seen these addresses --
20 these duplexes use as addresses?

21 A 94th Court East, is another street address I have seen. To
22 be honest with you, it is still unclear, the address part.

23 Q Which name did you use when you purchased these properties,
24 Alexis or Haikanush?

25 A Haikanush at the time.

1 Q And who did you consider to be the true buyer of these
2 duplexes?

3 A Bill Poff and myself.

4 Q Let us look at Exhibit 105, please. Do you recognize what
5 that is?

6 A Yes, ma'am.

7 Q What is it?

8 A It is a quitclaim deed.

9 Q From whom to whom?

10 A From William Poff to myself.

11 Q And is this a quitclaim deed for one of the duplexes listed
12 on line 1 of the chart?

13 A Yes, it is, ma'am.

14 Q You mentioned earlier that the defendant executed quitclaim
15 deeds for all the properties that you purchased. Is this an
16 example of one of those quitclaim deeds?

17 A Yes, ma'am, it is.

18 Q And can you read the signature on the line --

19 THE DEFENDANT: Objection to foundation, if she doesn't
20 know.

21 THE COURT: I will overrule the objection.

22 By Ms. Vogel:

23 Q Where were these quitclaim deeds actually signed?

24 A They were signed in the escrow office with Micki's presence.

25 Q And were you present as well?

1 A Yes, ma'am.

2 Q And is that Micki's notary signature at the bottom of this
3 document?

4 A Yes, ma'am.

5 Q Can you look at the signature line above the printed
6 capitalization, William Poff? Can you read what it says there?

7 A "I certify --"

8 Q I'm sorry. Just the name, how the name of the defendant is
9 signed?

10 A William Poff.

11 Q Generally speaking, Ms. Ikilikyan, did the process of how
12 these duplexes were purchased follow the same general process
13 that you have just described earlier this morning before break?

14 A Yes, ma'am.

15 Q Why did you select these duplexes to make an offer on them?

16 A The seller for these four duplexes was offering a seller
17 carryback.

18 Q And who was the seller? What was the name?

19 A The seller was Marijane Anderson.

20 Q Who was the person you primarily dealt with on behalf of the
21 seller?

22 A I dealt with the listing agent, and then later the daughter
23 of the seller.

24 Q Do you recall her name?

25 A Sarah Anderson. Sarah -- at the time, it was Anderson.

1 Q Would you look, please, at Exhibit 113, previously admitted,
2 I believe, as an Ownit business record. Do you recognize what
3 this document is, Ms. Ikilikyan?

4 A Yes.

5 Q What is it?

6 A A real estate purchase and sale agreement.

7 Q Specifically for what property is this?

8 A 9407 90th Avenue East in Seattle. It is for one of the
9 duplexes.

10 Q One of the duplexes on our chart?

11 A Yes, ma'am.

12 Q Is 90th Avenue East a variation of one of the addresses?

13 A Yes, ma'am.

14 Q And is the seller consistent with the seller of those
15 duplexes, Marijane Anderson?

16 A Yes, ma'am.

17 Q Who wrote this purchase and sale agreement for one of these
18 duplexes?

19 A I did, ma'am.

20 Q And what was the offered purchase price for this duplex?

21 A It was \$325,000.

22 Q Was that the same price that you offered for all of them?

23 A Yes, ma'am. If my memory serves me correct, there was a
24 discrepancy with one of the appraisals, where I believe it came
25 in lower. The fourth one might be a little bit different. But

1 that was the agreed purchase and sale price.

2 Q Who acted as your realtor in these transactions?

3 A I did, ma'am. Excuse me. Even though I did at the time, I
4 asked Tony Reyes to assist me on this purchase and sale, since
5 the bank did not want me as a buyer and the selling agent. So,
6 Tony Reyes.

7 Q So what involvement did Tony Reyes have in this transaction?

8 A Just his name.

9 Q Ms. Ikilikyan, did the agreement to purchase these duplexes
10 from Marijane Anderson include any terms involving seller
11 financing?

12 A Yes, ma'am.

13 Q And were those written down?

14 A Yes, ma'am.

15 Q Can you look, please, at Exhibit 117, which has not been
16 admitted? Can you zoom in as much as possible so we can try and
17 read that? Do you recognize this document, Ms. Ikilikyan?

18 A Yes, ma'am.

19 Q What is it?

20 A It is a payment term addendum for the purchase and sale
21 agreement.

22 Q Is it also for one of the three duplexes listed on line 1 of
23 this chart?

24 A Yes.

25 Q And who prepared this document?

1 A I did.

2 Q Does this document encapsulate the seller financing agreement
3 you entered into with the seller, Marijane Anderson, on this
4 transaction?

5 A Yes, ma'am.

6 MS. VOGEL: Move the admission of 117.

7 THE COURT: Any objection?

8 THE DEFENDANT: No objection, your Honor.

9 THE COURT: The exhibit is admitted.

10 (117 admitted.)

11 By Ms. Vogel:

12 Q I want you to look at all three pages of this exhibit. Let's
13 go back to the first page. And if you could zoom in on the top
14 paragraph? What was the original offer for seller financing that
15 you extended in this case?

16 A It was -- I believe it was around 20 percent carryback for
17 each of the duplexes, the original offer being \$325,000.

18 Q I'm sorry. I didn't follow your answer.

19 A Can you rephrase?

20 Q What is your recollection of what the original offer for
21 seller financing was that you extended to the seller of these
22 duplexes?

23 A Oh, it was \$62,000.

24 Q What was \$62,000?

25 A It was the portion where the seller would finance it. They

1 would be in the second position to finance it.

2 Q So if you look at the first paragraph of this payment terms
3 addendum of the purchase and sale agreement, it says, the buyer
4 agrees to pay a certain amount of money \$1,084,800, if I can make
5 it out. And that the balance will be -- shall be the purchase
6 price and installments of a certain amount per month --

7 A Yes, ma'am.

8 THE DEFENDANT: I object to relevance, your Honor.

9 THE COURT: She has to finish her question.

10 By Ms. Vogel:

11 Q When you say \$62,000, are you referring to the balance?

12 A I'm sorry. I was referring to each carryback, the 20 percent
13 of the 325. I'm sorry.

14 THE DEFENDANT: I object.

15 THE COURT: Let's take a time out. We will get -- She
16 gets to ask the question, and then before the witness answers,
17 which sometimes the witness starts really quickly, then you
18 object, and then I can rule on the objection prior to the time
19 that she answers.

20 THE DEFENDANT: I am sorry about that. It really wasn't
21 about the question she just asked. I was under the assumption
22 Ms. Ikilikyan actually owned the property. How would this
23 document be relevant, because it is saying this is a contract
24 with Ms. Harutyunyan? Relevance would be my objection.

25 THE COURT: The way you need to do that is say,

1 "Objection, relevance." If I need it explained, I will ask you
2 what the basis of the relevance is. Thank you. Ms. Vogel, you
3 may continue.

4 By Ms. Vogel:

5 Q Ms. Ikiliyan, this payment terms addendum that you said you
6 drafted, was this for all four duplexes, or how many of the
7 duplexes was this to cover?

8 A This was to cover all four, ma'am.

9 Q That explains the \$1,084,000 figure?

10 A Yes, ma'am.

11 Q What is your understanding of whether this payment terms
12 addendum is part of or separate from the purchase and sale
13 agreement?

14 A This particular addendum is part of the purchase and sale
15 agreement.

16 Q Now, the buyer is listed on this purchase and sale agreement
17 as Armenuhi Harutyunyan. Can you explain that?

18 A Yes, ma'am. Originally when we submitted the offer -- I
19 would always ask Bill, whose name would this work with, whose
20 name would qualify easier. At the time it was my mother,
21 Armenuhi Harutyunyan. So the purchase and sale were signed in
22 her name. And without going into the entire detail, the loan did
23 not work out. So we resubmitted another purchase and sale
24 agreement with the same numbers with my name.

25 Q Was that an uncommon occurrence in the purchases that you and

1 the defendant made?

2 A No.

3 Q Let's turn to page 3 of this purchase and sale agreement.
4 This is entitled "counteroffer addendum." Can you explain how
5 this page operates?

6 A Yes, ma'am. Typically a counteroffer addendum is -- they
7 counter what the original offer is. Sometimes even if it is
8 stated twice. That is just to reaffirm what it actually says on
9 the contract, just to really specify what the changes they are
10 making to the original offer.

11 Q "They" being the sellers?

12 A The sellers, yes.

13 Q Can you take a moment to look through the terms that are
14 listed on this counteroffer addendum, 117? After you take a
15 moment to read those, I will ask if those are consistent with
16 your understanding of the agreement you ended up with in this
17 case?

18 A Yes, ma'am, it is the exact one.

19 Q I see some handwritten notation on the left that says
20 5.75 percent. Can you explain that?

21 A Yes, ma'am. The interest rate was changed for the payments
22 to be affordable each month.

23 Q So did you agree to a lower interest rate?

24 A Yes, ma'am.

25 Q And the 20 percent seller-carry note you mentioned earlier,

1 that is actually stated in line 3 of those terms, is that
2 correct, where it says 20 percent seller-carried deed of trust?

3 A Yes, ma'am.

4 Q Is this consistent with your understanding of the final
5 seller financing agreement you and the defendant entered into
6 with the seller of these duplexes?

7 A Yes, ma'am.

8 Q When you said 20 percent earlier, was that for each duplex or
9 just on certain duplexes?

10 A On each of them.

11 Q And how much of the principal did you contemplate would be
12 paid back in each monthly payment?

13 A It was interest only payments, so no principal.

14 Q Who is it that actually carried out the specific negotiations
15 with the seller, Ms. Anderson, for the seller financing on the
16 duplexes?

17 A Originally it was myself on the phone with their agent.

18 Q With their real estate agent?

19 A With their real estate agent.

20 Q Did that change?

21 A At closing Bill Poff was present, and so was the two sellers,
22 Marijane Anderson, Sarah Anderson, as well as the listing agent.

23 Q What is the relationship, if you know, between Sarah and the
24 seller, Marijane Anderson?

25 A Mother/daughter.

1 Q Once you had this accepted offer on these three duplexes,
2 what did you do?

3 A The signed purchase and sale agreements were forwarded to
4 escrow to start the escrow process, and also it was forwarded to
5 Bill for him to start the loan process.

6 Q And you said "was forwarded." Who specifically forwarded
7 them?

8 A I did.

9 Q How did you and the defendant pay for this property, do you
10 recall?

11 A Yes, ma'am. For the seller carryback, it was a company that
12 collected the payments.

13 Q And, again, I am not asking so much yet about how you made
14 the monthly payments. First I want to focus on how did you buy
15 the property, how did you come up with over a million dollars to
16 buy these duplexes?

17 A I'm sorry. We obtained loans for all four of them.

18 Q In addition to the seller-carried financing?

19 A Yes, ma'am.

20 Q Do you recall if you or the defendant put any of your own
21 money down?

22 A No.

23 Q You don't recall?

24 A We did not.

25 Q How much money, if any, did you and the defendant end up

1 getting back after these purchases closed?

2 A It is believed to be --

3 Q "It is believed to be" is not very helpful. Can you be more
4 specific?

5 A Sure. Between \$120,000 and \$130,000.

6 Q Now, are you talking about all four duplexes, or just the
7 three?

8 A All four of them.

9 Q So something less for just the three -- the first three?

10 A Yes, ma'am. Around \$90,000.

11 Q What was your role in obtaining the mortgage financing to
12 purchase these duplexes?

13 A Again, my role was very limited, faxing paperwork to the
14 lender that Bill Poff had prepared, answering phone calls and
15 connecting Bill Poff with the bank. That's it.

16 Q Can you look, please, at Exhibit 119, which I believe was
17 admitted yesterday as an Ownit business record?

18 A Yes, ma'am.

19 Q Are you familiar with this type of document?

20 A Yes, I am.

21 Q What is it?

22 A It is a cover paper, so to speak, for a loan submission and
23 fee sheet.

24 Q What is the property address that this particular one
25 pertains to?

1 A This is for one of the duplexes in question, 9411-9410 90th
2 Avenue East in Puyallup.

3 Q This lists you as the buyer, Haikanush?

4 A That's correct.

5 Q Ms. Ikilikyan, did you fill out this form?

6 A I did not.

7 Q Did you sign this form?

8 A I did not.

9 Q And at the very top, if you can zoom in on the top third of
10 the form, who does it list as the broker that brokered this
11 submission?

12 A Victory Home Mortgage.

13 Q Who does it list as a contact? Are you familiar with the
14 telephone numbers on the right there?

15 A Yes, I am.

16 Q Let's talk about the top phone number. Whose telephone
17 number was that?

18 A That was the house slash fax number for my mother, since we
19 lived with her at the time. It was the home number/business
20 number.

21 Q And do you recognize the fax header at the top of this sheet?

22 A Yes, ma'am.

23 Q What does that indicate to you from reading that fax header,
24 where that document was faxed from?

25 A It was faxed from 425-643-6107, from the apartment.

1 Q I think you said after you moved out of that apartment, you
2 brought that fax number with you?

3 A Yes, ma'am.

4 Q Do you have any recollection of changing the number that was
5 programmed on it, on the fax machine?

6 A I don't think so, ma'am. I don't remember.

7 Q And can you zoom out? Can you focus in on the center area of
8 this form? What is the loan-to-value ratio of the loan requested
9 on this submission form?

10 A Ninety percent.

11 Q Based on your own personal involvement in this, was this form
12 submitted before or after you had negotiated the seller financing
13 with Marijane Anderson?

14 A After.

15 Q Ms. Ikilikyan, did you fill out two other forms just like
16 this for the other two duplexes as well?

17 A I did not, ma'am.

18 Q Did you fax them to Ownit Mortgage Solutions?

19 A I don't remember faxing this exact one, but it wouldn't be --
20 it would be a normal thing if I did. But I don't remember each
21 and every time.

22 Q Do you recognize the handwriting on here?

23 A Yes, I do.

24 Q Whose is it?

25 A Bill Poff's.

1 **THE DEFENDANT:** Objection, your Honor.

2 **THE COURT:** Overruled.

3 **By Ms. Vogel:**

4 Q Now, have you ever seen your husband -- your former husband,
5 all those years you were married, sign his name any way other
6 than William Poff?

7 A Yes, I do.

8 Q In what ways have you seen him sign his name?

9 A Bill Poff.

10 Q Was there any certain pattern for how he would sign his name?
11 Can you explain any pattern in how he would sign his name
12 differently at certain times?

13 A Only if it was for loan purposes. If he signed his name on
14 any loan documentation, he would sign it as Bill Poff. And also
15 with my loans specifically, he would sign Bill Poff.

16 Q Will you look at Exhibit 121, please? I believe this was
17 previously admitted as a business record from Ownit as well. Are
18 you familiar with this form?

19 A Yes, I am.

20 Q What is it?

21 A It is called a 1003, Uniform Residential Loan Application.

22 Q Can we zoom in on the top third where it says, "Such a
23 property." Does this 1003 -- Can we call it a 1003?

24 A Yes.

25 Q Does this 1003 correspond to one of the three duplexes on

1 line 1 of our chart?

2 A Yes, ma'am.

3 Q And who is listed as the borrower?

4 A Myself.

5 Q And what is the amount being sought?

6 A \$292,500.

7 Q Is that consistent with your recollection of the amount of
8 the mortgage that was actually obtained for each of these three
9 duplexes?

10 A Yes, ma'am.

11 Q I am going to look at the bottom third, please, where it
12 says, "Borrower employment." What is listed on this 1003 as the
13 name and address of your employer?

14 A It is listed Fidelis Enterprises slash Real Estate.

15 Q What is listed as how many years you have worked there?

16 A Five years.

17 Q Ms. Ikiliyan, is it true that you worked at Fidelis
18 Enterprises for five years at the time that this loan was being
19 processed?

20 A No.

21 Q Can we turn to page 2, please, top half? What is listed as
22 your gross monthly income from that self employment?

23 A \$27,000.

24 Q Ms. Ikiliyan, is it true at the time this loan was being
25 processed you earned \$27,000 in gross monthly income from

1 | Fidelis?

2 | A No.

3 Q Is it true that you earned \$27,000 from any source?

4 A It is not.

5 Q Ms. Ikilikyan, in the details of the transaction section on
6 the left-hand side in the center, what does it say online J under
7 subordinate financing?

8 A There is nothing stated.

9 Q And is it true that at the time this loan was being processed
10 there was no subordinate financing contemplated?

11 A There was subordinate financing.

12 Q And what was that?

13 A Seller carryback of \$65,000.

14 Q What does this form -- Who does this form indicate was the
15 interviewer?

16 A Bill Poff.

17 Q How does it say that that interview was conducted?

18 A Face-to-face interview.

19 Q How familiar are you with this form, this 1003 form?

20 A I am familiar. I have seen it.

21 Q Have you ever filled one of these out?

22 A I did not.

23 Q Have you ever filled one of these out?

24 A No, I have not.

25 Q Were you interviewed by a person named Bill Poff to get the

1 information to put in this particular 1003?

2 A I was not.

3 Q What role did you have in supplying this information about
4 your self-employment that you said was false, and about your
5 income that you said was false, and about that subordinate
6 financing that you said was false, to anybody for the purpose of
7 filling out this loan application?

8 A What was the first part of the question?

9 Q That was a long question. I apologize. What role did you
10 have in filling out this particular 1003?

11 A I did not.

12 Q What information did you supply for the purpose of having
13 this 1003 filled out?

14 A Nothing.

15 Q Did you sign this 1003?

16 A Yes, I did.

17 Q Who asked you to sign it?

18 A Bill Poff.

19 Q At the time that you signed it, did you read it?

20 A No, ma'am, I did not.

21 Q At the time that you signed it, were you aware that the
22 applications were being submitted for loans in your name that
23 contained statements that were not true?

24 A Yes, ma'am.

25 Q How were you aware that was happening if you didn't read the

1 form?

2 A It was explained to me that the stated income was okay to
3 inflate higher, so I was aware of the income being
4 misrepresented. And, also, the owner-occupied part of it. And,
5 also, Bill Poff explained to me the bank would deny the loan if
6 they found out about the carryback -- seller carryback.

7 Q Can you look, please, at Exhibit 122? This also was admitted
8 as an Ownit Business Solutions business record. Can you tell us
9 what this is?

10 A 1003, ma'am.

11 Q And is this for a second duplex that is also listed on line 1
12 of our chart?

13 A Yes, it is, ma'am.

14 Q Let's very quickly look to see whether it contains the same
15 information. Does this Exhibit 122 contain the same false
16 information as to self-employment?

17 A Yes, it does.

18 Q Page 2, please. Does 122 contain the same false income as to
19 gross monthly income?

20 A Yes, it does.

21 Q Does it contain the same information on the details of the
22 transaction, not mentioning the subordinate financing?

23 A Yes, ma'am, it does.

24 Q And the bottom third. Substantially similar signatures; is
25 that correct?

1 A Yes, ma'am.

2 Q What was your role in preparing this particular 1003 for the
3 second duplex?

4 A None.

5 Q And can we look, please, at Exhibit 123, which I believe was
6 also admitted as an Ownit business record yesterday. Is this
7 1003 for the third duplex in line 1 of our chart?

8 A Yes, it is, ma'am.

9 Q And does this contain the same false information as to
10 self-employment?

11 A Yes, it does, ma'am.

12 Q Does this contain -- Exhibit 123 contain the same false
13 information as to gross monthly income?

14 A Yes, it does, ma'am.

15 Q Does this have the same information as to subordinate
16 financing?

17 A Yes, ma'am.

18 Q Do the signatures appear to be the same?

19 A Yes, ma'am.

20 Q What was your role in preparing this particular loan
21 application?

22 A I did not.

23 Q Can you look, please, at Exhibit 127, which I believe was
24 also admitted as an Ownit business record? Do you recognize this
25 document?

1 A Yes, I do, ma'am.

2 Q What is it?

3 A A residential lease agreement.

4 Q For what property?

5 A 9410 90th Avenue East in Puyallup.

6 Q Is that one of the duplexes on line 1 of our chart?

7 A Yes, it is.

8 Q And for what dates does this lease agreement appear to be
9 valid?

10 A To April 2005.

11 Q For one year after that?

12 A To April 2006.

13 Q Would that have been exactly the time period you would have
14 been purchasing the property?

15 A Yes, ma'am.

16 Q Did you have any role in obtaining this lease agreement,
17 which was ultimately sent on to Ownit Mortgage Solutions?

18 A I did not.

19 Q This appears to be the same thing for another duplex. Did
20 you have any role in preparing or obtaining or transmitting this
21 lease agreement to Ownit Mortgage Solutions?

22 A I did not, ma'am.

23 Q Prior to preparation for the trial in this case, had you ever
24 seen this lease agreement or do you have any recollection?

25 A I do remember lease agreements being created for loan

1 purposes, but I don't remember this specific one.

2 Q When you say "being created," what do you mean?

3 A Being created to show the bank that this property is actually
4 making more money than it really was in order to qualify for the
5 loan.

6 Q And who was it that created those?

7 A Bill Poff.

8 Q Do you recognize the fax header at the top of this lease
9 agreement?

10 A Yes, I do.

11 Q Is that the same one as you described earlier as being your
12 fax machine?

13 A Yes, ma'am.

14 Q Can you turn to page 11 of this exhibit, which contains
15 several of these lease agreements? What is the name of the
16 tenant on page 11 of 127?

17 A Walter Harris.

18 Q Do you know a person named Walter Harris?

19 A Yes, I do.

20 Q What is his relationship to you?

21 A He is a tenant in fact.

22 Q He is a tenant at the property address listed on this
23 document?

24 A He is not.

25 Q So at another property?

1 A Yes, ma'am.

2 Q To your knowledge, did Walter Harris live at these duplexes
3 at the time you purchased them or at the time stated in this
4 lease agreement?

5 A He did not.

6 Q Can you look at Exhibit 128, please, previously admitted as a
7 business record from Ownit Mortgage Solutions? Also lease
8 agreements, but slightly different. Can you tell us what these
9 are?

10 A Lease agreement.

11 Q For what property?

12 A For 8906 Colgate Drive West, University Place, Washington
13 98466.

14 Q Are you familiar with that address?

15 A Yes, I am.

16 Q In April of 2005, who owned that property?

17 A I did.

18 Q Is that one of the 27 properties that you and the defendant
19 purchased?

20 A Yes, ma'am.

21 Q Did you have any involvement in creating, obtaining or
22 transmitting these lease agreements to Ownit Mortgage Solutions?

23 A If I may see the back of the lease agreement to see if this
24 is the actual one?

25 Q It might be easier with some of these longer exhibits if the

1 witness had the paper copy. It is Exhibit 128. Take a moment to
2 look through those loan agreements to see if you had any role in
3 creating them.

4 A I did not have any role in creating this lease agreement, no.

5 Q The first one you are referring to is between Haikanush
6 Ikilikyan and Alice Tyner?

7 A Yes.

8 Q Can you explain how this -- Do you know how this lease
9 agreement with your name on it came to be in the possession of
10 Ownit Mortgage Solutions' file on the duplexes?

11 A Yes, ma'am. Although there was a lease agreement between
12 ourselves and Alice Tyner, this does not appear to be that one.
13 This has been created to qualify for a loan.

14 Q If you had a real lease agreement with someone named Alice
15 Tyner, why would you need to create one?

16 A I don't believe the lease amount was \$1,900. It was lower.

17 Q When you say "lease amount," are you referring to monthly
18 payments?

19 A Monthly payments, yes.

20 Q Would you look, please, at Exhibit 129, also admitted as an
21 Ownit Mortgage Solutions business record? Whose name is on the
22 top there where it says "from"?

23 A Haikanush Ikilikyan.

24 Q Is that you?

25 A Yes.

1 Q Do you recognize the e-mail next to that?

2 A Yes.

3 Q Whose e-mail address is that?

4 A This is an e-mail address that Bill and I both used and had
5 access to.

6 Q Look at this e-mail, who it is to and if you wrote it?

7 A It is Ikilikyan official bank statements and letter. And it
8 was written by Bill.

9 Q Ms. Ikilikyan, did you write this e-mail?

10 A I did not.

11 THE DEFENDANT: Objection. She just said that she had
12 wrote it prior to.

13 THE COURT: That is not my recollection of her
14 testimony. Do you want to ask a clarifying question?

15 By Ms. Vogel:

16 Q Ms. Ikilikyan, did you write this e-mail?

17 A No, I did not.

18 Q Did you say a moment ago that you did?

19 A No.

20 THE DEFENDANT: Can we review the record, your Honor?

21 THE COURT: That's what I am doing, counsel. That is
22 not what the record reflects. I will overrule the objection.

23 By Ms. Vogel:

24 Q Ms. Ikilikyan, on line 2 for this e-mail it lists the name
25 Senath Sands. Are you familiar with a person named Senath Sands?

1 A Yes, ma'am.

2 Q Where does she work?

3 A She used to work for Ownit Mortgage.

4 Q Other than yourself, and, as you said, the defendant, who
5 else used this e-mail address, Fidelis WW at MS dot com?

6 A Nobody else.

7 Q Can you look, please, at Exhibit 130, also admitted as an
8 Ownit business record? Do you recognize this document,
9 Ms. Ikilikyan?

10 A Yes, I do.

11 Q What is it?

12 A It is a profit and loss statement.

13 Q For what?

14 A It is a document that sometimes the bank requests to see what
15 your liabilities are, as well as your income.

16 Q And does that appear to be your name and signature at the
17 bottom?

18 A Yes, ma'am.

19 Q Who prepared this document?

20 A Bill Poff.

21 Q How truthful were the income statements in this document at
22 the time period it was signed on April 4th, 2005?

23 A Not truthful.

24 Q And the expenses that are listed there, how truthful are
25 those as expenses for Fidelis Enterprises or Dove Realty? Can

1 you read them?

2 A I'm sorry. It is not truthful.

3 Q Can you zoom down to the bottom third, please? Getting to
4 the bottom line where it says, "Net profit after taxes,
5 \$448,834.73." How truthful is that statement of a net profit for
6 Fidelis Enterprises or Dove Realty income for you on April 7th,
7 2005?

8 A Not truthful, ma'am.

9 Q Who prepared this document?

10 A Bill Poff.

11 Q What was your role in transmitting this document to where we
12 got it, which was from Ownit Mortgage Solutions?

13 A Again, I am not sure if I was the one who faxed it or not. I
14 don't know.

15 Q For this particular purchase, the duplexes on line 1, who was
16 the escrow company?

17 A Great American Escrow.

18 Q And specifically who handled the closings?

19 A Micki Thompson.

20 Q Who handled the closings on behalf of the seller -- signing
21 the paperwork on behalf of the seller for this transaction?

22 Ms. Anderson?

23 A Micki Thompson.

24 Q And who actually controlled the documents when the seller,
25 Ms. Anderson, signed?

1 A Bill Poff.

2 Q Can you tell us where that occurred?

3 A Yes, ma'am. It was University Place, Washington, in a
4 restaurant, is where the signing took place.

5 Q And who was present at that signing at the restaurant in
6 University Place?

7 A Myself, Bill Poff, Marijane and Sarah Anderson, and the
8 listing agent.

9 Q Who is it that actually had physical control of the
10 documents?

11 A Bill Poff and I went to pick up the documents. I don't
12 remember who actually picked it up, but Bill Poff and I both had
13 control of it.

14 Q And were you present and watching as the documents were being
15 signed?

16 A Yes, ma'am.

17 Q Who notarized the seller's documents?

18 A Bill Poff.

19 Q Can you look, please, at Exhibit 104? This is a statutory
20 warranty deed. Would this have been one of the closing documents
21 that would have been signed at the time of closing that you just
22 described?

23 A Yes, ma'am.

24 Q Now, this document is notarized by someone other than William
25 Poff?

1 A Yes, ma'am.

2 Q Can you explain that?

3 A Sometimes when either the proper form was not in the file or
4 if Bill overlooked a notary, he would take the file back and
5 Micki would notice that she missed something and she would
6 notarize it for him.

7 Q What is the date, according to this document, that Marijane
8 Anderson signed it?

9 A The date of 16 April 2005.

10 Q Can you look, please, at Exhibit 118? This, I believe, was
11 admitted yesterday as a business record from Evergreen Escrow.
12 Do you recognize this document?

13 A Yes, I do.

14 Q What is it?

15 A It is a seller financing agreement.

16 Q And does it relate to one of the properties on our chart,
17 Exhibit 1?

18 A Yes, it does.

19 Q Which one?

20 A 9403-9415 94th, Puyallup, Washington.

21 Q Is that the three duplexes in line 1?

22 A Yes, it is.

23 Q Despite the fact that the address is slightly different?

24 A Yes, ma'am.

25 Q Who created this document?

1 A Bill Poff.

2 Q What is the purpose of this document?

3 A Originally it was intended to come up with an agreement to
4 keep ourselves in compliance with the bank, as well as the
5 sellers, to separate the purchase and sale agreement -- separate
6 the first and second loan.

7 Q So when in the process of the sale would this document
8 surface?

9 A At the end.

10 Q Can we zoom in, please, on the first paragraph of this
11 document? It starts, "Note and Deed of Trust." This
12 contemplates a loan of \$260,000 to the buyer. Can you tell us
13 how many of the duplexes this note covered?

14 A All four of them.

15 Q And you said earlier that it was \$65,000?

16 A Yes.

17 Q And the first few sentences of this note, is that consistent
18 with the agreement that we saw earlier in the purchase and sale
19 addendum and payment terms addendum?

20 A Yes, ma'am, the terms are the same.

21 Q And what is the last sentence of this note? It says: "This
22 indebtedness shall be evidenced by a promissory note and deed of
23 trust." Who wrote those words? Who wrote out those words?

24 A Bill Poff.

25 Q What is your understanding of what that means?

1 A That also, along with this form, a promissory note will be
2 created as well to show it as a loan to the buyer, that these
3 funds would be showed as a loan in the form of a promissory note.

4 Q Can we look down at the paragraph entitled "Waiver"? Can you
5 look at the last two sentences of that top paragraph entitled
6 "Waiver"?

7 A "Both parties understand this is a separate transaction from
8 the purchase and financing of the property described above.
9 Closing will be set for three business days after the acquisition
10 of the property listed herein."

11 Q Where did that language come from on this form? Who put that
12 language in this form?

13 A Bill Poff.

14 Q How often did that language -- that same language appear on
15 seller financing agreements, in your experience?

16 A As soon as this was established that this form was needed to
17 keep compliance. It was intended for it to be every time after
18 that -- after this form was formed.

19 Q This language that says, "Both parties understand this is a
20 separate transaction from the purchase and financing of the
21 property described above," is that consistent or inconsistent
22 with the way that the original purchase and sale offer was
23 drafted?

24 A Inconsistent.

25 Q And at this particular closing, do you remember anybody

1 explaining this to Marijane Anderson, this change in the
2 agreement?

3 A I don't remember. I don't think so, no.

4 Q Do you recall -- do you have any recollection, Ms. Ikilikyan,
5 of this seller financing agreement, this document right here,
6 being presented to Marijane Anderson at the closing that you have
7 described at the restaurant in University Place?

8 A No.

9 Q Can we look, please, at the signature and dates at the bottom
10 of the document? What is the date written next to Marijane
11 Anderson's signature?

12 A April 4th, 2005.

13 Q Other than the signing that took place at the restaurant, do
14 you recall any other personal meeting between yourself and
15 Marijane Anderson prior to the closing of the first three
16 duplexes?

17 A Prior to the closing? No.

18 Q And that closing date, again, for those first three duplexes,
19 as illustrated on Exhibit 1, was 4/25/04; is that correct?

20 A Yes, ma'am.

21 Q Zoom in on the second page of Exhibit 118. Who notarized
22 this document?

23 A William Poff.

24 Q That is William S. Poff; is that correct?

25 A Yes, ma'am.

1 Q And, according to this document, he notarized both the
2 buyer's and seller's signature; is that correct?

3 A Yes, ma'am.

4 Q On what date?

5 A April 4th, 2005, the same day.

6 Q In this particular transaction of the duplexes, what happened
7 after all the closing documents were signed?

8 A The file was turned over to Micki Thompson at Great American
9 Escrow. And I believe then Micki Thompson proceeded to close --
10 finish out the rest of the loan.

11 Q Do you have any recollection of any issues arising during the
12 disbursement of funds relating to this transaction?

13 A Yes, ma'am.

14 Q Can you tell us what those are?

15 A In order to not bring any funds in to close, seller had been
16 asked if, on paper, they would pay the buyer's closing costs, I
17 believe two percent, even though in actuality they would not.
18 That is not something they would do. After closing, Micki had
19 disbursed all the funds to Bill Poff and myself, and we returned
20 those funds back to Sarah Anderson.

21 Q So there was an issue with the earnest money that had to be
22 resolved, is that what you are saying?

23 A I believe closing costs -- two percent of closing costs, yes.

24 Q In addition to that -- Let me ask it this way. Do you
25 recall ever seeing the final HUDs for this transaction?

1 A If I saw it -- The memory is not too bright on this one.

2 Q Do you know whether the seller carrybacks of \$65,000 per
3 duplex, as you described was your deal with the seller, do you
4 know if that was reflected in the final HUD?

5 A No.

6 Q No, you don't know?

7 A They weren't in there.

8 Q How do you know that?

9 A It wouldn't have worked. The financing would not have worked
10 if it was in there.

11 Q Do you know specifically how the seller carrybacks were
12 concealed on the HUDs in this particular case?

13 A "How" meaning who took them off?

14 Q If it didn't say \$65,000 in seller carrybacks, do you know
15 what it said?

16 A It had a different verbiage, if it had anything. I don't
17 recall exactly what the verbiage was, but it didn't have the
18 seller financing on it.

19 THE DEFENDANT: I object. She just testified she didn't
20 see.

21 THE COURT: The witness can testify as to her knowledge.

22 By Ms. Vogel:

23 Q Can you look, please, at Exhibit 143, admitted yesterday as a
24 Great American Escrow record. Have you, prior to your
25 preparation in this trial, seen this document before?

1 A I have not, ma'am.

2 Q Have you ever heard of a company called PDQ Construction
3 Contracting?

4 A I did not.

5 Q Are you familiar with the address underneath the words "PDQ
6 Construction Contracting"?

7 A Yes, ma'am.

8 Q Whose address is that?

9 A My mother's address.

10 Q Is that the apartment in Bellevue that you and the defendant
11 lived at with your mother?

12 A Yes, ma'am.

13 Q And what about the phone number underneath, the same?

14 A Yes, the same.

15 Q Does your mother own a business called PDQ Construction
16 Contracting?

17 A She does not.

18 Q Does anybody else in your family or that lived at that
19 address own a company called PDQ Construction Contracting?

20 A No.

21 Q Are you aware, during the time that you were negotiating to
22 purchase these duplexes from Marijane Anderson, of any repairs or
23 foundation upgrades or roof work or maintenance or anything like
24 that that was part of the purchase agreement?

25 A None.

1 Q And on this particular invoice, who does this say this is
2 billed to?

3 A Billed to Marijane Anderson.

4 Q Do you know why an invoice for PDQ Construction Contracting
5 bearing your mother's address would be in the Great American
6 Escrow file as a bill to Marijane Anderson?

7 A Yes, ma'am, to justify why the funds would come to us instead
8 of to Marijane Anderson at closing.

9 Q And what role did you have in creating this invoice?

10 A I did not.

11 Q Ms. Ikiliyan, who made the payments after closing on these
12 loans to both Ownit Mortgage Solutions and Ms. Anderson?

13 A I did.

14 Q And what were the monthly payments to Ownit, if you recall?

15 A It was almost \$1,900 for the first --

16 Q Is that per month?

17 A Per month.

18 Q How about the payments to Ms. Anderson?

19 A Almost \$1,300 a month.

20 Q Per month?

21 A Per month, yes.

22 Q How far did you pay those monthly payments?

23 A Ownit Mortgage, I wrote a check every month to them. The
24 seller carryback, I paid it to a company -- a note servicing
25 company and they indeed paid the seller themselves. It was a

1 third-party that collected the funds.

2 Q Was that Evergreen Escrow?

3 A Yes, ma'am.

4 Q What account -- from what account did you take the funds to
5 make those monthly mortgage payments?

6 A The general account, Washington Mutual, ending in 1315.

7 Q And why do you call it the general account?

8 A That's where all the funds from loans, everything, came to,
9 all the loans, the money came to the account, typically.

10 Q So in this particular transaction, I think you testified
11 earlier that you believed you and the defendant got about \$90,000
12 at closing?

13 A Approximately, for three duplexes.

14 Q Into what account were those funds deposited?

15 A Into the general Washington Mutual, ending in 1315, account.

16 Q Ms. Ikiliyan, what is the status of those loans now? Did
17 you pay them off?

18 A I have not.

19 Q What about the loan to Ms. Anderson, did you pay that off?

20 A No, ma'am.

21 Q When did you stop paying?

22 A April of 2008.

23 Q To Ms. Anderson?

24 A Yes. To Ms. Anderson a few months before that.

25 Q And why did you stop paying?

1 A That's when it was becoming difficult to obtain more loans
2 and pay for these properties, so the seller carrybacks
3 unfortunately were the last ones being paid.

4 Q What is the current status of these duplexes?

5 A Close to being foreclosed on.

6 MS. VOGEL: Your Honor, I am about to start a whole new
7 property. If we are going to take a break, this would be a good
8 time.

9 THE COURT: We will take our lunch break at this time.
10 I would ask you to be back at 1:30, and we will resume at that
11 time. Counsel, any matters we should take up at this time, from
12 the government?

13 MS. VOGEL: No.

14 THE DEFENDANT: Nothing, your Honor.

15 THE COURT: I will see you at 1:30. We will be at
16 recess.

17 (Lunch break)

18 THE COURT: Ms. Vogel, I think we left off with you.
19 Counsel, I am told the person who could make the touch screen
20 work, made it work, and then left the room, and it stopped
21 working. We have ordered them back for tomorrow. As of right
22 now, we are not there.

23 MS. VOGEL: Thank you.

24 By Ms. Vogel:

25 Q Ms. Ikiliyan, can I direct your attention, please, to the

1 second line on the big chart there, Exhibit Number 1? Do you
2 recognize the address of the property listed as number 2 on this
3 chart? Line 2 on this chart, do you recognize that address?

4 A Yes, I do.

5 Q And what is that address?

6 A 31413 50th Avenue South in Federal Way, Washington.

7 Q What is your connection to that property?

8 A This is the property that was purchased by a straw buyer for
9 Bill Poff and myself.

10 Q And in whose name did you and the defendant buy this
11 property?

12 A Tim Thomson.

13 Q Who is Tim Thomson?

14 A Tim Thomson is the son of an old property manager we used to
15 have. His name was Jim Thomson.

16 Q Did you ever personally see this property at 31413 50th
17 Avenue South in Federal Way during the time it was purchased in
18 Tim Thomson's name?

19 A Yes, ma'am.

20 Q Can you look, please, at Exhibit 200? Do you recognize the
21 house in that photograph?

22 A Yes, ma'am.

23 Q What house is that?

24 A The address provided online number 2, 31413 50th Avenue
25 South, Federal Way, Washington.

1 Q At the time that it was purchased by you and the defendant in
2 the name of Tim Thomson, first of all, did it have a for sale
3 sign in front of it like is depicted here?

4 A Yes, ma'am.

5 Q Now, how similar did it look to the way it looks in this
6 photograph?

7 A Afterwards?

8 Q At the time you purchased it, did it look like it does in
9 this photograph?

10 A Yes, ma'am.

11 Q Did you ever meet Tim Thomson?

12 A Yes, ma'am.

13 Q And can you explain how it is that Tim Thomson came to you
14 and the defendant's attention as a possible straw buyer?

15 A Yes, ma'am. Jim Thomson many times mentioned to Bill Poff
16 and myself that his son would like to do some form of investing.
17 We had a meeting, the four of us at one time, and out of that
18 meeting it was believed -- out of the meeting he decided that Tim
19 Thomson would be a straw buyer, and for his service he would
20 receive money up front for buying the property.

21 Q And who is it that entered into that agreement that you have
22 just described with Tim Thomson?

23 A In that meeting it was Bill Poff, myself, Jim Thomson and Tim
24 Thomson.

25 Q Was this agreement in writing?

1 A No, ma'am.

2 Q What was your understanding of whether Tim Thomson would live
3 in the property or properties purchased in his name?

4 A The agreement was that he would not live there.

5 Q And what would happen with the properties?

6 A It would be rented out and maintained by Bill Poff and
7 myself.

8 Q Who specifically would be responsible for renting out those
9 properties?

10 A Bill Poff and myself.

11 Q Why were you looking to use Tim Thomson's name instead of
12 buying another property in your name, for example?

13 A The financing would be easier with somebody who doesn't have
14 as many houses on their credit.

15 Q After entering into this agreement with Mr. Tim Thomson, what
16 did you and the defendant do next towards the purchase of this
17 property?

18 A It was also agreed that we would take the property -- we
19 proceeded to look for a property that would meet the needs of our
20 investing, which was --

21 Q Go ahead.

22 A -- which was the seller carryback.

23 Q How did you find this property?

24 A I found it on the MLS, Northwest MLS.

25 Q And after finding it, what did you do?

1 A I contacted the listing agent. I asked if the sellers would
2 be capable and interested in doing a seller carryback. She said,
3 yes, that they would. If my memory serves me right, I believe it
4 was listed -- it was already listed they would be interested in
5 doing that.

6 Q And was there then an offer written up and presented?

7 A Yes, ma'am.

8 Q Who drafted up that offer?

9 A I did.

10 Q Can you look, please, at Exhibit 209, which I believe was
11 admitted yesterday as a Great American business record. Do you
12 recognize this document?

13 A Yes, ma'am, I do.

14 Q What is it?

15 A It is a purchase and sale agreement.

16 Q And is that the document you just described writing up?

17 A Yes, ma'am.

18 Q And does that pertain to this property, 31413 50th Avenue
19 South?

20 A Yes, it does.

21 Q What was the agreed purchase price on this property?

22 A \$279,950.

23 Q And who is the seller?

24 A The seller was believed to be a John Andriolo, but he also
25 called himself a trustee. I knew he had legal power to sell it.

1 Q Who conducted the negotiations with the seller to reach the
2 terms that are laid out in the purchase and sale agreement?

3 A I did, with the listing agent.

4 Q What agreement was there with the seller, Mr. Andriolo,
5 regarding seller financing?

6 A That they would carry back between 20 and 25 percent.

7 Q And was that agreement written down?

8 A Yes, ma'am.

9 Q Can you look, please, at Exhibit 210? Do you recognize this
10 document?

11 A Yes, I do.

12 Q What is it?

13 A It is a payment terms addendum to purchase and sale
14 agreement.

15 Q Does it pertain to this particular property on line 2 that we
16 have been discussing?

17 A Yes, it does.

18 Q Did you prepare this document?

19 A Yes, I did.

20 Q At what point in the process of submitting the original offer
21 that we just saw in Exhibit 209 did you also submit this payment
22 terms addendum?

23 A Right at the beginning, with the purchase and sale agreement.

24 Q And was it accepted by the seller, Mr. Andriolo?

25 A Yes, it was.

1 Q Can we zoom in on the paragraph that says note and deed of
2 trust? Can you read that top paragraph there to yourself, and
3 tell us whether that is consistent with your recollection of the
4 agreement you entered into with Andriolo on seller financing?

5 A Buyer agrees to pay -- I'm sorry, it is difficult to read,
6 200 -- almost 220,000 down, excluding earnest money, at closing,
7 and the balance of the purchase price to seller, two monthly
8 installments of \$307 a month.

9 Q That \$307 a month, did that include any amount of principal?

10 A No.

11 Q When was the principal of this note to be due to the seller?

12 A It was --

13 Q I'm sorry? What did you say?

14 A 26-month term.

15 Q Who conducted the negotiations with the seller, Mr. Andriolo,
16 on behalf of Tim Thomson for this note?

17 A At closing, Bill Poff and myself.

18 Q Where was Tim Thomson during this entire process that the
19 purchase and sale and this payment terms addendum was being
20 negotiated?

21 A He was out of the country.

22 Q Do you know then who it is that signed -- that initialed here
23 on the payment terms addendum and signed on 209 that we saw a
24 moment ago?

25 A It was his father, Jim Thomson.

1 Q Who was the loan officer for this transaction on behalf of
2 Tim Thomson?

3 A On paper it was myself, but the actual loan officer is Bill
4 Poff.

5 Q Can you look, please, at Exhibit 217? I believe it is
6 admitted as a Great American Escrow business record. Do you
7 recognize this document?

8 A Yes.

9 Q What is it?

10 A It is a preapproval letter that is typically submitted with
11 each offer.

12 Q Who is the loan officer that is listed on this letter?

13 A William S. Poff.

14 Q And the address that this letter pertains to?

15 A Yes, ma'am.

16 Q Is what?

17 A 31413 50th Avenue Southwest, Federal Way, Washington.

18 Q And the fax header on the top of this page, do you recognize
19 that one as well?

20 A Yes, ma'am. That is our fax number.

21 Q Can you look, please, at Exhibit 218, also admitted I believe
22 as an Ownit Mortgage Business Solutions record. We saw this type
23 of form earlier this morning. Do you recognize this form?

24 A Yes, I do.

25 Q And to which property does this form pertain?

1 A 31413 50th Avenue South, Federal Way.

2 Q And can you remind us what this form is again?

3 A It is a loan submission form.

4 Q Ms. Ikilikyan, did you fill in the lines on this form?

5 A I did not.

6 Q And where it says on the top third on the left -- where it
7 says, "Contact Bill/Alexis," did you fill that part in?

8 A I did not.

9 Q And at the bottom of what we can see here, the top half of
10 this form, what is the total combined loan to value that this
11 submission form requests for mortgages on this property?

12 A Loan to value, it says 80 percent.

13 Q And the total combined mortgage value after both mortgages?

14 A 100 percent.

15 Q Look at the date on the header -- the fax header line. What
16 is that date?

17 A December 8th, 2005.

18 Q And if we could go back, please, to Exhibit 210, that we just
19 looked at, the payment terms addendum, and focus in on the date
20 that that was signed. What date was that signed?

21 A December 5th, 2005.

22 Q Does it look maybe on the right hand side it was signed by
23 the seller on maybe the 6th? It is hard to tell.

24 A Yes, ma'am.

25 Q In any event, would that be before or after the loan

1 submission form was sent to Ownit Mortgage for 100 percent
2 financing?

3 A The loan submission was after.

4 Q Can you look, please, at Exhibit 220? Can you tell us what
5 loan -- This was admitted, again, as an Ownit business record.
6 Can you tell us what loan this application pertains to?

7 A 31413 50th Avenue Southwest, Federal Way.

8 Q And that is listed as the subject property?

9 A Yes, ma'am.

10 Q And who is the borrower in this loan application, 1003?

11 A Tim Thomson.

12 Q And what is the amount of the loan requested?

13 A \$223,960.

14 Q Do you know if that would be the first or the second mortgage
15 on this property?

16 A First mortgage.

17 Q And let's look down at the information that was contained in
18 this loan application as per Tim Thomson's employment. What does
19 it say was the address of the employer -- name and address of the
20 employer of Tim Thomson?

21 A Tim Thomson Landscaping, 21445 30th Avenue South in Seattle,
22 Washington.

23 Q How many years does this 1003 say Mr. Thompson was
24 self-employed with that employer?

25 A It mentioned three years.

1 Q If we look at page 2, what does this loan application state
2 was the monthly income for Mr. Thompson from that source?

3 A \$9,799.

4 Q That total you just gave us includes \$99 of net rental income
5 as well?

6 A Yes.

7 Q Ms. Ikiliyan, what role did you have in preparing or
8 submitting this 1003 to Ownit Mortgage Solutions in the
9 application for the first mortgage on property number two?

10 A No role at all.

11 Q Do you know who prepared this application?

12 A Yes, ma'am.

13 Q How do you know who prepared this application?

14 A Bill Poff created all loan applications and documents.

15 Q Are you familiar with the entity Tim Thomson Landscaping?

16 A Yes, ma'am.

17 Q How are you familiar with it?

18 A It is a business license that Bill Poff created for Tim
19 Thomson in order to qualify for this loan.

20 Q How do you know that?

21 A I saw him.

22 Q When you say you "saw him," what do you mean?

23 A I saw him fill out the business license application online.

24 Q To your knowledge, was there ever a business called Tim
25 Thomson Landscaping?

1 A Yes, ma'am. I'm sorry. No, not at all.

2 Q Other than the one that is on paper, was there ever really a
3 business called Tim Thomson Landscaping that did any landscaping
4 work?

5 A Not at all, no.

6 Q And if we could go back to the 1003, Exhibit 220, on page 3.
7 On the details of transaction section on the left-hand side,
8 line J, what does this 1003 convey to Ownit Mortgage Solutions
9 about any subordinate financing?

10 A That there is no subordinate financing.

11 Q What does it convey about how much cash the borrower, that
12 would be Mr. Thompson, has to bring to the transaction, if you
13 look down at line T?

14 A \$55,504.35.

15 Q Can we look briefly, please, at Exhibit 221, also admitted as
16 an Ownit business record. We will zoom in on the top half. Is
17 this another 1003 for the same property but for a different loan
18 amount?

19 A Yes, ma'am.

20 Q Can you tell us what the amount this 1003 is for?

21 A \$55,990.

22 Q And does it have the same information -- I'm sorry. Based
23 on your knowledge of how this property was purchased, would that
24 be the first or the second mortgage?

25 A This would be for the second mortgage.

1 Q Let's look briefly to see if it contains the same information
2 as Exhibit 220 that we just saw. As to employment, does it
3 contain the same information, Tim Thomson Landscaping?

4 A Yes, ma'am.

5 Q As to income on page 2, does it contain the exact same
6 information?

7 A Exact same, yes, ma'am.

8 Q And on page 3, as to the details of the transaction,
9 subordinate financing, does it contain the same information?

10 A Yes, ma'am.

11 Q On the right-hand side of the declaration section there
12 online L, it asks, "Do you intend to occupy the property as your
13 primary residence?" How is that marked on behalf of Tim Thomson?

14 A It is marked as "yes."

15 Q And can you look at the signature on the bottom of this form?
16 Is that your name on the interviewer's block?

17 A Yes, ma'am.

18 Q And do you recall signing this document?

19 A Yes, I do.

20 Q Who is it that asked you to sign this document?

21 A Bill Poff.

22 Q And the one that we looked at previously, was that also one
23 that you signed? We will go back to 220, third page, please.

24 A Yes, ma'am, that's my signature.

25 Q And, again, at whose direction or request did you sign this

1 document?

2 A Bill Poff's.

3 Q Will you look, please, at Exhibit 225, also admitted, I
4 believe, as an Ownit business record. Can we zoom in on the top
5 half of that document? Are you familiar with what this document
6 is?

7 A Yes, I am.

8 Q What is BTA Law Group?

9 A BTA Law Group, the attorney that works for them also did our
10 taxes -- my taxes, and he verified the self-employment for our
11 clients.

12 Q When you say he did your taxes, what tax returns did he
13 prepare for you?

14 A Business and -- Actually -- I'm not sure if it is business
15 and regular. He prepared the tax returns.

16 Q Ms. Ikiliyan, what role did you have in soliciting this
17 particular letter that was in the Ownit business record files on
18 behalf of Tim Thomson?

19 A I was in the room when the question was asked to Mr. Gossing
20 if that would be okay.

21 Q And who asked Mr. Gossing to do this?

22 A Bill Poff.

23 Q Do you know what information Mr. Poff gave to Mr. Gossing on
24 which to base this letter?

25 A The application for the business license that was printed off

1 after it was filled out.

2 Q So the solicitation of this letter happened before or after
3 the business was created?

4 A After.

5 Q How many loan clients have you or Mr. Poff, the defendant,
6 obtained similar letters like this for?

7 A I believe that it was less than 15, I am guessing.

8 Q Can you look, please, at Exhibit 223? This also was admitted
9 as an Ownit Mortgage Solutions' business record. In the from
10 line of this e-mail, it has your name; is that correct?

11 A Yes, ma'am.

12 Q And the same Fidelis WW e-mail address we saw earlier this
13 morning?

14 A Yes, ma'am.

15 Q And who is this e-mail to?

16 A It is to Senath Sands.

17 Q You said earlier she worked as an employee at Ownit Mortgage
18 Solutions?

19 A Yes, she does.

20 Q Ms. Ikiliyan, did you write this e-mail?

21 A I did not.

22 Q Ms. Ikiliyan, once the loans for the purchase of property
23 number two were approved, who handled the closing paperwork?

24 A Micki Thompson.

25 Q And physically where did -- let's start with the seller,

1 Mr. Andriolo, where did he sign the paperwork, if you know?

2 A I think it was in Port Townsend. I remember it being hours
3 away.

4 Q Were you present?

5 A Yes, ma'am.

6 Q Tell us how that happened.

7 A Bill Poff and myself met with John Andriolo at his hometown
8 in Port Townsend, and all three of us met at a restaurant to sign
9 the seller's closing costs -- excuse me, seller's paperwork.

10 Q Was the paperwork notarized at the time it was signed?

11 A It was signed and notarized.

12 Q Who notarized it, if you recall?

13 A I believe it was Bill Poff.

14 Q Can you look, please, at Exhibit 213? This was admitted, I
15 believe, as a Great American business record. Do you recognize
16 this document?

17 A Yes, ma'am.

18 Q Now, this looks very similar to a document we just looked at
19 earlier today. Who drafted this document?

20 A Bill Poff.

21 Q Was this one of the closing documents that was presented to
22 the seller, Mr. Andriolo, at the signing you just described?

23 A Yes, ma'am.

24 Q And does it have the same language in the waiver paragraph as
25 the one we saw earlier?

1 A Yes, ma'am.

2 Q Ms. Ikilikyan, do you recall anybody explaining this document
3 to Mr. Andriolo at the time of signing?

4 A No, ma'am.

5 Q Ms. Ikilikyan, do you recall at any time this seller
6 financing agreement being presented to Mr. Andriolo in advance as
7 part of the negotiations?

8 A No, ma'am.

9 Q Do you recall any discussions at all with Mr. Andriolo --
10 What do you recall about any discussions at all with
11 Mr. Andriolo, prior to closing, about moving the seller financing
12 agreement from part of the purchase and sale addendum to the
13 seller financing agreement?

14 A The only thing that was discussed with Mr. Andriolo is that
15 he would be in second position with the seller carryback.

16 Q And the second position, is that consistent or inconsistent
17 with the number of mortgages that were actually taken out by
18 Ownit Mortgage?

19 A Inconsistent.

20 Q And who is it that told Mr. Andriolo that he would be in
21 second position?

22 A I did.

23 Q And why did you do that?

24 A To get as much loans as we possibly could from this property.

25 Q Can you turn to the second page of Exhibit 215, please? Were

1 you present when this document was signed and notarized by the
2 seller -- I mean, by the buyer?

3 A Yes, ma'am.

4 Q And I think there is another page. Were you present when
5 this document was signed and notarized by the seller,
6 Mr. Andriolo?

7 A Yes, ma'am.

8 Q And that was at the meeting you just described?

9 A Yes, ma'am.

10 Q How many meeting did you and the defendant have with the
11 seller in this case, Mr. Andriolo?

12 A Just one, ma'am.

13 Q Do you know who signed the closing documents on behalf of the
14 buyer, Tim Thomson?

15 A Yes, ma'am. It was Jim Thomson, his father.

16 Q Were you present when those closing documents were signed?

17 A Yes, I was.

18 Q Where did that happen?

19 A It happened in Federal Way, at Starbucks.

20 Q Who else was present?

21 A Bill Poff and Jim Thomson.

22 Q Who handled escrow for this sale?

23 A Great American Escrow.

24 Q Can you describe for us what happened after the funds from
25 all these loans came into Great American Escrow on this

1 transaction?

2 A Yes, ma'am. Then a promissory note was created in order to
3 justify why the excess money should come to Bill Poff and myself.

4 Q Can you look, please, at Exhibit 214, Great American Escrow
5 business record. What is this document?

6 A It is a promissory note.

7 Q And you said a moment ago, "it was created." Do you know who
8 created it?

9 A Bill Poff.

10 Q How do you know that?

11 A He created all receipts and promissory notes and loan
12 documents, anything that pertained to that.

13 Q And were you present at Great American Escrow when this
14 document was provided to the escrow company?

15 A Yes, ma'am.

16 Q What is the purpose of this document?

17 A The way I understand it, this document is created so that,
18 instead of the seller receiving the money, the proceeds, this
19 shows as though that person is lending the buyer the money. This
20 is just an instrument to let Great American Escrow disburse funds
21 to the buyer instead of the seller.

22 Q This promissory note is actually, if you look at it, between
23 you, Alexis Ikilikyan, and the buyer, Timothy Thomson; is that
24 correct?

25 A Yes, ma'am.

1 Q So you were neither the buyer nor the seller, were you?

2 A The buyer, just not on paper, ma'am.

3 Q So with this document, what was Micki -- what did Micki feel
4 like she was able to do?

5 MR. RATNER: Objection.

6 THE COURT: Sustained.

7 By Ms. Vogel:

8 Q What did this document permit Micki to do, as you understand
9 it?

10 A Instead of disbursing the funds to Tim Thomson, she was able
11 to disburse it to Bill Poff and myself.

12 Q Is that what happened?

13 A Yes, ma'am.

14 Q Was there any indebtedness by you and Tim Thomson as
15 purported by this document?

16 A No.

17 Q Did you sign this document?

18 A Yes, ma'am.

19 Q And who notarized this document?

20 A Bill Poff.

21 Q Do you know who signed this particular document on behalf of
22 Tim Thomson?

23 A This was signed by Jim Thomson.

24 Q Tim Thomson's father?

25 A Yes.

1 Q Were you and the defendant, Mr. Poff, able to get any cash
2 out of the closing on this property, number two on the chart?

3 A Yes, ma'am.

4 Q Do you recall how much?

5 A Again, within a small range, between 60- and \$70,000. It was
6 closer to \$65,000, I believe.

7 Q And where did that money go?

8 A It went to Washington Mutual general account ending in 3135.

9 Q Who made payments, if anyone did, on these loans that Mr. Tim
10 Thomson took out to purchase this property?

11 A I did.

12 Q To your knowledge, did Tim Thomson make any payments?

13 A No.

14 Q How did you make those payments? From what account?

15 A The same general account ending in 3135. The first mortgage
16 was paid online; the second mortgage, a check was mailed to them;
17 and the third, a check was mailed to John Andriolo.

18 Q And did you pay off all of those notes?

19 A No, ma'am.

20 Q When did you stop making payments to Ownit Mortgage
21 Solutions?

22 A This property, I believe around June of '08.

23 Q And when did you stop making payments to Mr. Andriolo?

24 A Around the same time, June time frame.

25 Q What did you or the defendant pay Mr. Tim Thomson for his

1 participation in this transaction?

2 A \$1,000.

3 Q And how was that paid?

4 A Via check.

5 Q Who paid him?

6 A I wrote the check, but the funds came out of that general
7 account ending in 3135.

8 Q Did you and the defendant attempt to buy any additional
9 properties in Tim Thomson's name?

10 A Yes, ma'am, attempted, but it did not work out.

11 Q So what is the status now of property number two on our
12 chart, the house at 31413?

13 A It has gone into foreclosure.

14 Q I will direct your attention now to property number three on
15 our chart, 13841 Southeast 180th Street in Renton. Are you
16 familiar with this property?

17 A Yes, ma'am.

18 Q And how is it you are familiar with it?

19 A This is the property originally --

20 Q How is it you are familiar with it?

21 A Originally a gentleman by the name of Sean Warren purchased
22 this property as a straw buyer. And then eventually, when things
23 did not work out according to plan, we purchased it back from
24 Sean Warren.

25 Q And "we" is who?

1 A Bill Poff and myself.

2 Q And was that on August 1st of 2006, as listed on the first
3 column of line 3 of the chart?

4 A Yes, ma'am.

5 Q Let's look at Exhibit 300, please. Do you recognize the
6 house -

7 A Yes, ma'am.

8 Q -- in that photograph? What is it?

9 A It is property 13841 at Southeast 180th in Renton,
10 Washington.

11 Q The house you just mentioned purchasing?

12 A Yes, ma'am.

13 Q And how different at the time you purchased it was it from
14 the way it looks in this photograph?

15 A It was cleaner.

16 Q By "cleaner," what do you mean?

17 A There was no garbage outside, the landscaping looked better
18 when we purchased it.

19 Q So perhaps in slightly better condition than it is in this
20 photograph?

21 A Yes, ma'am.

22 MS. VOGEL: Your Honor, with that caveat, I would move
23 the admission -- with that explanation, I move the admission of
24 Exhibit 300.

25 THE COURT: Any objection?

1 THE DEFENDANT: No objections, your Honor.

2 | THE COURT: 300 is admitted.

3 | (300 admitted.)

4 | By Ms. Vogel:

Q So you sort of ran through this all very quickly, but I do want to break it down so it is clear. Who did you buy this property from?

8 | A Sean Warren.

9 Q And do you know Sean Warren personally?

10 A Yes, ma'am, briefly.

11 Q Were you involved at all when Sean Warren bought this
12 property?

13 A Yes, ma'am.

14 Q Can you explain that to us?

15 A Sean Warren was a Marine that moved to the west coast, and he
16 was looking for property to buy for himself. During that time
17 Tony Reyes contacted Bill Poff and myself and asked if there
18 would be anybody that could be a straw buyer for a client that he
19 has that he is working with, and that they didn't have the best
20 credit. He was working to fix that for him. At that time Sean
21 Warren was being prequalified by Bill. And Bill Poff and myself
22 asked Sean if he would be interested in participating in doing
23 that. And if so, he would receive a total of \$6,000 for that
24 property. He told us, if he qualifies, he would be interested.
25 So Sean Warren proceeded -- Bill Poff proceeded to close the loan

1 for Sean Warren. I was the agent for the transaction. The straw
2 buyers actually moved in and lived on the property. About a year
3 into it --

4 Q You said the "straw buyers"?

5 A The people who were intending to buy the property. I'm
6 sorry.

7 Q To your knowledge, did Sean Warren ever live in this
8 property?

9 A He never did, no.

10 Q So after Sean Warren purchased the property in the manner you
11 just described, why did you decide to then purchase it from him?

12 A About a year into it, the people who were making the
13 payments, they were not able to make the payments. They were
14 defaulting on the loan. So Sean Warren contacted Bill Poff and
15 myself and told us what is going on, somebody needs to take care
16 of this, so to speak. That's when Bill Poff and myself contacted
17 Tony Reyes to find out what are we all going to do about this
18 because this wasn't part of the plan.

19 Q So ultimately what did you and the defendant decide to do to
20 help Mr. Warren?

21 A Ultimately we took over payments. And then purchased --
22 actually purchased the property from his name a year later when
23 the prepayment penalty was up.

24 Q What was your role in the purchase of this property from
25 Mr. Warren?

1 A Just preparing the purchase and sale agreement.

2 Q How did you arrive at a purchase and sale agreement?

3 A Whatever the market value was at the time. And I did the --

4 I sent the comparable reports to an appraiser to come back with a

5 market value. And that was my role.

6 Q Were you negotiating with anyone on the other side?

7 A No, ma'am.

8 Q Can you look, please, at Exhibit 308, previously admitted as

9 an Ownit business record? Is this the purchase and sale

10 agreement that you just described, the purchase from Mr. Warren?

11 A Yes, ma'am.

12 Q What was the purchase price that you arrived at?

13 A \$350,000.

14 Q Who was the buyer in this transaction?

15 A We are, even though it is in my mother's name.

16 Q Why is it in your mother's name? Why is this one in your

17 mother's name?

18 A This is something Bill Poff did, because he knew the credit

19 for both myself and mom would qualify easier. It is something he

20 determined.

21 Q What involvement did your mother have in negotiating the

22 purchase price or any of that process?

23 A She didn't have any.

24 Q If you look at the bottom of the first page of Exhibit 308,

25 it lists the real estate agencies involved, U.S. Realty &

1 Investment, LLC. Is that your company that you and the defendant
2 opened that you described earlier?

3 A Yes, ma'am.

4 Q So this would have been during the time period you would have
5 been working under that umbrella?

6 A Yes, ma'am.

7 Q Ms. Ikiliyan, was there seller financing on this deal?

8 A No, there was not.

9 Q Why not?

10 A Sean Warren -- It was a straight purchase from him. There
11 was equity in the property.

12 Q What did you do in this particular transaction after you had
13 the signed purchase and sale agreement?

14 A Started escrow, and gave the purchase and sale to Bill Poff
15 so he would start on the loan.

16 Q Do you know who the lender was for this purchase?

17 A Ownit Mortgage.

18 Q Would you look, please, at Exhibit 309, also admitted as an
19 Ownit business record. This is another submission sheet like the
20 one we have seen before. Can you tell us what property this one
21 is for?

22 A 13841 Southeast 180th Street, Renton, Washington.

23 Q Is this for the mortgage in your mother's name to purchase
24 that property?

25 A Yes, ma'am.

1 Q On the line that says "loan officer," it says your name,
2 Alexis. Ms. Ikilikyan, did you fill out this form?

3 A I did not.

4 Q Ms. Ikilikyan, do you have any recollection of signing this
5 form?

6 A I do not.

7 Q Do you believe that you signed this form?

8 A I did not.

9 Q It looks like your signature right there? Can you explain
10 that?

11 A Bill signed it for me.

12 THE DEFENDANT: Objection on foundation, your Honor.

13 THE COURT: Overruled.

14 By Ms. Vogel:

15 Q Will you look, please, at Exhibit 310, also admitted as an
16 Ownit business record. Is this the 1003 -- the same property
17 that we have been looking at, property number three on the chart?

18 A Yes.

19 Q And who is the buyer -- borrower? Excuse me.

20 A Armenuhi, my mother.

21 Q And what is the amount being sought?

22 A \$315,000.

23 Q If we look down at the claims about the borrower's
24 employment, what does it say was Ms. Armenuhi Harutyunyan's
25 employment?

1 A Hay Computer Networking & Consulting.

2 Q And how many years does this 1003 say that she had that job?

3 A Four years on the job.

4 Q Is that true or false?

5 A It might have been when the business was opened, but there
6 was no actual business.

7 Q What was your mother's true employment in August of '06, do
8 you know?

9 A I know she worked for Work Source. I don't know her exact
10 job title. I know she worked for the state.

11 Q Did she ever own her own business that you know of?

12 A No, she did not.

13 Q Let's look at the second page, please, under income. What
14 does this 1003 claim is your mother's gross monthly income?

15 A \$38,580.

16 Q Ms. Ikilikyan, do you know whether that was your
17 mother's true income at that time?

18 A It is not.

19 Q What role did you have in supplying this information about
20 your mother's employment and income for the purpose of this 1003?

21 A None. Zero.

22 Q What do you recall, Ms. Ikilikyan, about how much money was
23 put down to buy this property?

24 A No money down.

25 Q Can you look at Exhibit 315? This was admitted yesterday, I

1 believe, as an Ownit business record. Do you recognize this?

2 A Yes, ma'am.

3 Q What is it?

4 A It is a fictitious cashier's check.

5 Q Where did it come from?

6 A Bill Poff created it.

7 Q How do you know that?

8 A I saw him do it.

9 Q And do you know for what purpose it was created?

10 A To avoid bringing actual funds to escrow, and get the same
11 funds back from escrow.

12 Q Do you know who Mr. Poff gave this to after he created it?

13 A To Micki Thompson.

14 Q Do you know how Mr. Poff created it?

15 A On his computer.

16 Q Do you know what program he used?

17 A He used -- if I remember correctly, it was Paint --

18 Q I don't want you to guess. Do you know or are you guessing?

19 A He had copies of cashier's checks and used the numbers from
20 those checks and recreated it. It was from a simple program, not
21 something that he bought separately. It was something that
22 regular computers come with. I believe it is called Paint.

23 Q After Mr. Poff created this -- Let me clarify. Did Mr. Poff
24 actually create a check or just a copy of a check?

25 A A copy of that check.

1 Q What did he do with that copy of the check?

2 A The copy of the check was presented to Micki Thompson to show
3 as the down payment.

4 Q Is this the only time you saw something like this happen?

5 A No.

6 Q How many times did you see something like this happen?

7 A I would like to say under ten. I don't remember the exact
8 amount. It wasn't over ten checks.

9 Q Ms. Ikiliyan, did you and the defendant get any money from
10 this closing, property number three on our chart?

11 A Yes, ma'am.

12 Q Do you have any idea how much?

13 A From memory, I would like to say under \$35,000.

14 Q And where did that money go?

15 A Into the general fund in the Washington Mutual bank account
16 ending in 3135.

17 Q Who made the payments on this loan, property number three?

18 A I did.

19 Q How many payments did your mother make?

20 A None.

21 Q And when you say "I did," what account was used to make the
22 monthly payment?

23 A The Washington Mutual account ending in 3135.

24 Q What is the current status of that loan?

25 A It has gone into foreclosure.

1 Q I will direct your attention to property number four on our
2 chart, 20613 11th Avenue South, Des Moines, Washington. Are you
3 familiar with that address?

4 A Yes.

5 Q How are you familiar with that property?

6 A This is a property I found on MLS.

7 Q Is this a property that you purchased in your mother's name
8 as well?

9 A Yes, ma'am.

10 Q Let's look at Exhibit 400, please. Did you ever visit this
11 property?

12 A Yes, ma'am.

13 Q And is that the property that we are talking about in
14 Exhibit 400?

15 A Yes, ma'am.

16 Q Now, I want to ask you about the timing. If you look back at
17 Exhibit Number 1, property number four was purchased about, it
18 looks like, 17 days after property number three. Can you explain
19 to us, was it unusual to buy more than one property in the same
20 month?

21 A It was not unusual.

22 Q What was the reason, if there was one, for buying properties
23 in a short sequence?

24 A The whole idea was to make it as many properties as possible
25 in order to get the loans out to make the payments for all the

1 rest of them. If there was another house available, it was not
2 uncommon.

3 Q Was there any advantage that you are aware of to buying
4 properties and having properties close at the same time?

5 A Yes, for the owner-occupied status, so it wouldn't show on
6 the credit report as another property.

7 Q You said you found this particular property, property number
8 four on our chart, on MLS. Why did you select this particular
9 property?

10 A They did advertise a carryback on that property.

11 Q What was your role in preparing the purchase and sale
12 agreement?

13 A I prepared the purchase and sale agreement, and sent it to
14 the listing agent, Mr. Jenkins.

15 Q Can we look, please, at Exhibit 409, admitted I believe as a
16 Great American business record. This has been faxed a few times,
17 so I apologize. It is difficult to read. Can you recognize that
18 document?

19 A Yes, ma'am.

20 Q What is it?

21 A It is a purchase and sale agreement for that property.

22 Q And that is property number four again on our chart?

23 A Yes, it is.

24 Q This is the one you prepared?

25 A Yes, ma'am.

1 Q What was the sales price for this property?

2 A \$385,500.

3 Q And who was the ultimate buyer on this property?

4 A Bill Poff and myself.

5 Q And who was the buyer on paper?

6 A Armenuhi Harutyunyan, my mother.

7 Q And who was the seller for this property?

8 A Lionel Jenkins.

9 Q Who did you -- with whom did you negotiate for the purchase
10 and sale of this property?

11 A Lionel Jenkins.

12 Q Did the original offer that you conveyed to Mr. Jenkins
13 contain any terms about seller financing?

14 A Yes, ma'am.

15 Q And what was the agreement that was reached with Mr. Jenkins
16 about seller financing?

17 A My memory is not the greatest, ma'am, but I know that typical
18 of owner financing numbers were as much as they were willing to
19 accept.

20 THE DEFENDANT: Objection. Nonresponsive.

21 THE COURT: I am going to sustain that. Let's ask a
22 question that is more precise.

23 By Ms. Vogel:

24 Q My question was what was your recollection of the agreement
25 with the seller about seller financing?

1 A Between 20 and 25 percent.

2 Q Now, what happened after you entered into that agreement on
3 the subject of seller financing?

4 A That this signed purchase and sale was turned over to Great
5 American Escrow and to Bill Poff for the loan.

6 Q Do you know who the lender was on this transaction?

7 A Ownit Mortgage.

8 Q Can you look, please, at Exhibit 412, an Ownit Mortgage
9 Solutions business record. Is this another submission sheet,
10 this time for property four on our chart?

11 A Yes, ma'am.

12 Q What role did you have in filling out this submission sheet?

13 A I did not.

14 Q Where it says "loan officer," and has your name, did you
15 write that in?

16 A I did not.

17 Q Do you have any recollection, Ms. Ikilikyan, of signing this
18 document?

19 A I do not.

20 Q Can you look, please, at Exhibit 413? What property is this
21 a 1003 for?

22 A 20619 11th Avenue South in Seattle.

23 Q And this was admitted as an Ownit business record as well.
24 What role did you have in preparing this 1003 for the purchase of
25 property number four on our chart?

1 A I did not have any role.

2 Q What is the amount of the loan being sought in this one?

3 A \$345,500.

4 Q If we could back up, please, and look at the borrower
5 information. First of all, is the name of the borrower being
6 submitted? The name of the borrower?

7 A Armenuh Harutyunyan.

8 Q That is your mother?

9 A That is my mother.

10 Q What information was included in this 1003 for employment?

11 A Hay Computer Networking & Consulting.

12 Q Page 2. What information was included as her gross monthly
13 income?

14 A \$37,000 a month.

15 Q Can you look, please, at page 3? What information is
16 conveyed to Ownit Mortgage Solutions about subordinate financing
17 or seller financing?

18 A None.

19 Q Ms. Ikilikyan, do you have any recollection of signing this
20 document?

21 A Yes, ma'am.

22 Q Who is it that asked you to sign it?

23 A Bill Poff.

24 Q What role did your mother have in submitting this information
25 for the preparation of this 1003?

1 A None.

2 Q So tell us what happened after the loans were approved at
3 escrow on this particular closing, property number four?

4 A Yes, ma'am. Franklin, Bill Poff and myself went to escrow.
5 We all learned that this property was indeed in foreclosure, so
6 the numbers had changed. The payoff was higher. Without
7 remembering too much on the details, we had -- And, also, we had
8 learned that Mr. Jenkins himself had a carryback. So we had to
9 almost recreate the whole transaction to see if it was still
10 going to work. Upon doing that we -- Mrs. Bourgeois was the
11 seller financier for Mr. Jenkins. She contacted escrow. And all
12 of us were at -- she was on speaker phone, and she let us know
13 she has an interest in the property, this is how much her
14 interest is. And we explained to her that if this property is on
15 its way to being foreclosed on, if we don't close this deal, she
16 may not get too much money out of the deal. So she agreed to
17 subordinate to Bill Poff and myself.

18 Q When you are describing this, you are saying, we had these
19 discussions, we negotiated this. Who is the "we" you are
20 referring to?

21 A Bill Poff and myself.

22 Q Can you look, please, at Exhibit 411? This has not been
23 admitted. Do you recognize this document? Take a moment and
24 look at this, and I will ask you if you recognize it.

25 A Yes, ma'am.

1 Q **What is this?**

2 A **It is a promissory note.**

3 Q **Who wrote this?**

4 A **This looks --**

5 Q **If you know?**

6 A **I don't know.**

7 Q **Who signed this?**

8 A **I don't know.**

9 Q **You said you recognized it. From where do you recognize it?**

10 A **I'm sorry, I do recognize the promissory note, but I don't**
remember exactly who created this particular one.

12 Q **From where do you recognize it?**

13 A **In escrow.**

14 Q **For this property, property number four, that we have been**
talking about? Let's look back at what it is. This is a promise
to pay what amount of money?

17 A **\$58,800.**

18 Q **And who is it that is promising to pay that money?**

19 A **My mother is promising to pay Emily Bourgeois \$58,800.**

20 Q **And did this have some relation in your recollection to the**
purchase of the property located at 20613 11th Avenue South in
Des Moines?

23 A **Actually, if I may, this promissory note, even though a lot**
of the different transactions did include a promissory note that
was created by Bill Poff, this one I guess I don't remember. I

1 don't remember seeing this one, this particular one.

2 Q You mentioned earlier that in order to close the deal you had
3 to agree to do something with a note held by Emily Bourgeois?

4 A Yes.

5 Q Can you explain what it is that you did?

6 A Yes. It was some form of receipt or promissory note that
7 allowed Micki Thompson to wire the money -- give the funds to
8 Bill Poff and myself instead of to the seller.

9 Q You are telling me, if I understand, there was a promissory
10 note created, but you don't recall ever seeing it?

11 A This one -- I am just unclear about this particular one
12 being created by Bill Poff or myself.

13 Q I didn't ask you whether you created it or not. I asked if
14 you remember seeing it.

15 A I don't remember seeing it.

16 Q I will move on. Can you look, please, at Exhibit 417. This
17 was previously admitted as an Ownit business record. Can you
18 look at what appears at line -- First, what property is this
19 related to?

20 A 20613 11th Avenue South in Des Moines.

21 Q And that is the purchase by your mother from Mr. Jenkins of
22 property number four; is that correct?

23 A Yes, ma'am.

24 Q And I just want to direct your attention right to line 505 on
25 this sheet. This is in the category that says "reductions in

1 amount due to seller"?

2 A Yes.

3 Q Do you see what it says next to line 505?

4 A "Pay off second mortgage loan."

5 Q And what is the amount that it says was paid off for the
6 second mortgage loan?

7 A \$58,800.

8 Q And if you could turn, please, to page 3 of the settlement
9 statement, where it says "pay off to Emily"? What is the amount
10 it says was paid off to Emily?

11 A \$58,800.

12 Q Ms. Ikiliyan, are you aware of whether Emily Bourgeois was
13 ever paid off as it says in this HUD?

14 A She was not.

15 Q Where did that \$58,800 in money supposedly to pay off Emily
16 go?

17 A To Bill Poff and myself.

18 Q Do you know who had put that money had gone to Emily
19 Bourgeois?

20 A Micki Thompson.

21 Q And who directed her to do that?

22 A Bill Poff.

23 Q How do you know that?

24 A It was normal escrow practice, where Bill Poff directed Micki
25 with the numbers --

1 THE DEFENDANT: I object.

2 THE COURT: You need to let her finish.

3 THE DEFENDANT: I'm sorry.

4 THE COURT: Go ahead and answer.

5 THE WITNESS: It was normal practice, where Bill Poff
6 directed Micki to prepare -- to direct where the numbers went so
7 the bank would approve it.

8 THE DEFENDANT: I object, your Honor.

9 THE COURT: On what basis?

10 THE DEFENDANT: No foundation. She is speculating on
11 these numbers on this document.

12 THE COURT: Overruled.

13 By Ms. Vogel:

14 Q Ms. Ikiliyan, were you and the defendant able to get cash
15 out of this closing?

16 A Yes, ma'am.

17 Q Can you give us an idea how much you got out of closing
18 number four on the chart? How much cash did you get out of it,
19 do you recall?

20 A It was under \$60,000.

21 Q And where did that money go?

22 A To the general account ending in 3135.

23 Q Who made payments on this loan?

24 A I did.

25 Q How many payments did your mother ever make?

1 A **None.**

2 Q **How did you make the payments, from what account?**

3 A **The general account ending in 3135.**

4 Q **And were those payments made to both Ownit Mortgage Solutions**
5 **and Emily Bourgeois?**

6 A **Yes, ma'am.**

7 Q **What is the current status on both of those accounts?**

8 A **The property has gone into foreclosure and loans defaulted.**

9 Q **What about the note to Emily Bourgeois, what is the status of**
10 **that now?**

11 A **The property went into foreclosure. It did not get paid.**

12 **The last time the property was paid for was April of 2008.**

13 Q **I will direct your attention to the next property, property**
14 **number five on our chart. This is located at 14062 Yelm Avenue**
15 **Southwest (sic) in Yelm. Are you familiar with this property?**

16 A **Yes, ma'am.**

17 Q **How are you familiar with it?**

18 A **This is the property that Tony Reyes introduced to Bill Poff**
19 **and myself. He wanted to be half owner of this property with us,**
20 **as long as one of us would purchase it, meaning my mother or**
21 **myself.**

22 Q **Ultimately, did you purchase this property in your name in**
23 **February of 2007?**

24 A **Yes, ma'am.**

25 Q **I'm sorry, in August of 2006?**

1 A Yes, ma'am.

2 Q So that was the same month as the two previous properties
3 just discussed; is that correct?

4 A Yes.

5 Q Can you look at Exhibit 500? Do you recognize this mansion?

6 A Yes, ma'am.

7 Q Is that the property you just described?

8 A Yes.

9 Q What kind of residence is this?

10 A This is a residential house. However, one of the rooms gets
11 rented out for weddings and parties and things like that.

12 Q Is there also an amount of land or property associated with
13 this residence?

14 A Yes, ma'am. There used to be two other properties with this
15 property, but the third one was subdivided later on.

16 Q How was it you came to be interested in this property?

17 A Tony Reyes introduced this property to Bill Poff and myself.
18 And he introduced it as, this is a great opportunity, the
19 weddings will pay for the mortgage. And Bill Poff and myself
20 were very interested.

21 Q What did you do next?

22 A We submitted an offer. I wrote the purchase and sale,
23 submitted the offer to the sellers.

24 Q Can we look, please, at Exhibit 515? Do you recognize 515?

25 A Yes, ma'am.

1 Q **What is it?**

2 A **It is a purchase and sale agreement.**

3 Q **For this particular property, property number five, on Yelm**
4 **Avenue Southwest?**

5 A **Yes, ma'am.**

6 Q **And is this the one you wrote up?**

7 A **Yes, I did.**

8 Q **What was the purchase price that you agreed on?**

9 A **\$1,100,000.**

10 Q **And who is the seller of this property?**

11 A **Mr. and Mrs. Slopak.**

12 Q **Who is it that you conducted the negotiations with to reach**
13 **this agreement?**

14 A **The listing agent.**

15 Q **Now, this purchase price, \$1.1 million, throughout the**
16 **negotiation was there a discussion?**

17 A **Yes. Originally the agreed amount was \$1.3 million. When we**
18 **went to close, the sellers had changed their minds, and they**
19 **wanted the purchase and sale price based off the actual purchase**
20 **value, which was 1.1 million. So it was changed.**

21 Q **Would you look at 524, which has not been admitted. Do you**
22 **recognize what that is?**

23 A **Yes, ma'am.**

24 Q **What is it?**

25 A **It is an addendum to purchase and sale agreement.**

1 Q Is that for the same property on Yelm that we have been
2 talking about?

3 A Yes, ma'am.

4 Q Is this something that you prepared?

5 A Yes, ma'am.

6 Q And is it something that you signed at the bottom?

7 A Yes, I did.

8 Q Was this document prepared as part of the negotiation for the
9 purchase of property number five on our chart?

10 A Yes, it is, ma'am.

11 MS. VOGEL: Move the admission of Exhibit 524.

12 THE DEFENDANT: No objections, your Honor.

13 THE COURT: 524 is admitted.

14 (524 admitted.)

15 By Ms. Vogel:

16 Q If you could focus in on the center of this addendum to the
17 purchase and sale agreement. That middle paragraph talks about
18 the purchase price. Can you read that for me?

19 A "Buyer and seller agree that the sale price is 1.1 million,
20 but buyer is financing 1.3 million for their own purposes."

21 Q In the process you have just described, where you agreed to
22 inflate the sales price and then decided not to, was this part of
23 that back and forth agreement?

24 A It was. Yes, ma'am.

25 Q In the end, was the sales price of 1.1 million inflated?

1 A 1.1 million was not inflated.

2 Q Why was there an attempt to inflate the sales price from
3 1.1 million to 1.3 million?

4 A To avoid bringing a big down payment to closing.

5 Q Who did the negotiations on your side? You said three people
6 were involved. Who was the negotiator on the buyer's side?

7 A Even though I negotiated the terms over the phone, all four
8 of us, Bill Poff and myself and the two sellers -- and the agent,
9 so five of us, actually met face to face to negotiate.

10 Q Was there any discussion -- Can you please tell us of the
11 discussion, if there was any, about seller financing as part of
12 this purchase and sale?

13 A Yes, ma'am. I asked the listing agent if the sellers would
14 consider seller financing. She stated, no, they would not.

15 Q Was there any seller financing on this deal?

16 A No, there was not.

17 Q What involvement did you have in seeking the financing for
18 the purchase of this property?

19 A Besides giving the purchase and sale to Bill to start on the
20 loan, I did not.

21 Q Can you look, please, at Exhibit 508, admitted as an Ownit
22 Mortgage Solutions record? Can you tell us what this pertains
23 to?

24 A It refers to 14062 Yelm Avenue Highway Southeast in
25 Washington.

1 Q What was your role in preparing and submitting this and the
2 other loan application documents to Ownit Mortgage Solutions for
3 this Yelm property?

4 A None.

5 Q The signature at the bottom of this form, do you have any
6 recollection of signing it?

7 A I do not.

8 Q Does that look to you like your own handwriting filling out
9 that form?

10 A It is not.

11 Q Do you believe that to be your signature?

12 A It is not.

13 Q I'm sorry. I can't hear you.

14 A It is not.

15 Q Can we look, please, at Exhibit 509, another Ownit Mortgage
16 Solutions business record. What property is this 1003 for?

17 A 14062 Yelm Avenue Southeast in Yelm.

18 Q Who is the borrower?

19 A I am.

20 Q What is the amount being sought?

21 A \$825,000.

22 Q Can we look, please, at what is stated as the borrower's
23 employment?

24 A Fidelis Enterprises/Real Estate mortgage broker.

25 Q Can we look at what is stated for the borrower's income?

1 A \$53,333.

2 Q Is that gross monthly income?

3 A It was not.

4 Q My question is, does that state \$53,333?

5 A Yes.

6 Q \$53,333 per month for gross monthly income?

7 A Yes.

8 Q Now, how truthful is that information?

9 A It was not truthful for income.

10 Q And is your actual -- was your actual income at the time
11 higher or lower than \$53,333 a month?

12 A Lower.

13 Q How much money were you making per month from Fidelis
14 Enterprises at that time?

15 A None.

16 Q How much money were you making at all in legitimate real
17 estate commissions?

18 A It averaged much, much less.

19 Q What was your role in supplying this false information in
20 this 1003 submitted for your mortgage on the purchase of the Yelm
21 Avenue property?

22 A I did not have any role.

23 Q Let's look at the next page. Who was listed as the
24 interviewer?

25 A Listed here is Bill Poff.

1 Q Did you -- do you recognize the signature for the borrower?
2 A Yes, ma'am.
3 Q Do you believe that he signed that document?
4 A I do, yes.
5 Q And at whose request did you sign this document?
6 A Bill Poff.
7 Q Let's look at the declaration section. Online L, "Do you
8 intend to occupy the property as your primary residence?" What
9 did this 1003 convey to Ownit Mortgage Solutions?
10 A It is listed yes.
11 Q What was your intent as to occupation of this property at the
12 time you submitted this -- at the time this was submitted to
13 Ownit Mortgage Solutions?
14 A We had no intention of living there.
15 Q What was your intention for this property? What did you plan
16 to do with it?
17 A To continue doing the weddings.
18 Q Can we look, please, at Exhibit 517? Is this a 1003 for the
19 same property, but for the second mortgage?
20 A Yes, ma'am.
21 Q And in what amount is this 1003 requested?
22 A For \$165,000.
23 Q If we could look briefly whether it contains the same or
24 different information about employment?
25 A The same information.

1 Q And about income?

2 A It is listed here, \$67,631. So it is higher.

3 Q And, again, was that anywhere near your true income at this
4 time?

5 A No.

6 Q If we could look then on the next page, please. The bottom
7 of this page. Who does this list as the interviewer?

8 A Bill Poff.

9 Q Again, do you recall signing this document?

10 A Yes, I do.

11 Q And who is it that asked you to sign it?

12 A Bill Poff.

13 Q Ms. Ikiliyan, you admitted you signed these documents full
14 of false statements. Were you aware that they contained false
15 statements at the time you signed them?

16 A Yes, ma'am, I was aware of the income and the owner
17 occupation status -- whether or not it was owner occupied or not
18 occupied.

19 Q Why did you sign documents that you knew contained false
20 statements?

21 A It was very much described to me, it is not a big deal. The
22 lenders go off the amount of money that is actually in your bank
23 from loans, and that is considered income. And the owner
24 occupied -- It was also explained to me when you upgrade -- the
25 property itself qualifies for it to be owner occupied, so the

1 bank had knowledge that there was five, six properties, but since
2 we were upgrading, it would be okay.

3 Q And who was it that explained all of this to you?

4 A Bill Poff.

5 Q After the loans were approved, where were the documents
6 signed?

7 A In escrow -- Great American Escrow.

8 Q Do you recall who was present for the signing of these
9 closing documents?

10 A Yes, ma'am. In this particular one it was Micki Thompson,
11 Bill Poff, myself and Tony Reyes.

12 Q Can you look, please, at Exhibit 506? I will actually move
13 on past that.

14 Q Ms. Ikilikyan, did you put any money down on this purchase?

15 A Yes, ma'am.

16 Q Did you or the buyers put any money down on this purchase?

17 A Yes, I did.

18 Q Do you recall how much?

19 A It was ten percent of 1.1 million, plus closing costs.

20 Q And where did that money come from that you put down?

21 A \$82,000 was already in escrow from a different transaction.

22 All the commissions went into the properties, as well as the real
23 estate and the mortgage side. And Tony Reyes brought the rest in
24 order to close.

25 Q What was your agreement with Tony Reyes about being a

1 co-owner of this property?

2 A The agreement was any money that comes in from the weddings
3 would go towards the mortgage payments. If there was a shortage
4 on the money, Tony Reyes, Bill Poff and myself would pay it
5 50/50 percent, all the bills and the mortgages. And a few years
6 from now, if all three of us decided to sell, if there was any
7 profits to be made, we would be split 50/50.

8 Q Was any of that revealed to Ownit Mortgage Solutions?

9 A No.

10 Q Were you able to walk away with any cash from this
11 transaction?

12 A No, except for the actual wedding -- the money from the
13 sellers for a couple of weddings that they had collected. But
14 not from the loan.

15 Q How much were the monthly payments on this property?

16 A It was over \$7,000 a month.

17 Q Who made those payments?

18 A I did.

19 Q Out of what?

20 A Out of the general account, ending 3135.

21 Q And are you current on those loan payments?

22 A No, ma'am.

23 Q When did you stop making payments?

24 A April of 2008.

25 Q What is the current status of the Yelm property?

1 A It is on its way to being foreclosed.

2 Q You said you hadn't made a payment on some of these
3 properties since April of 2008?

4 A Yes, ma'am.

5 Q Can you explain how it is that they haven't already been
6 foreclosed upon?

7 A Yes, ma'am. The banks received false paperwork for -- orders
8 for being activated in the military. That was created by me.

9 Q So what is it that you created and sent to the banks so they
10 wouldn't foreclose?

11 A Even though I -- there was legitimate active duty time, it
12 was changed for it to be -- the active duty time was one year,
13 instead of a month and a half.

14 Q Let me break it down. What did you actually submit to the
15 banks to try to stop or delay foreclosure?

16 A False military orders.

17 Q And why did you think that military orders would slow down
18 the foreclosure process?

19 A I thought -- Bill Poff and I had discussed that would give us
20 time for us to sell all the properties before it would go into
21 foreclosure.

22 Q And were you on active duty at the time that you submitted
23 those orders?

24 A I was on active duty.

25 Q You were on active duty for how long?

1 A For a month and a half.

2 Q And how long did the orders that you sent to the lender say
3 you were on active duty?

4 A For one year.

5 Q And who is it that falsified those orders?

6 A I did.

7 MS. VOGEL: I am about to move to another property. I
8 am not sure when you take your break.

9 THE COURT: 3:00.

10 By Ms. Vogel:

11 Q Ms. Ikiliyan, I will direct you now to property number six
12 on our chart, 9488 199th Avenue Southwest in Issaquah. Do you
13 recognize that property?

14 A Yes.

15 Q How so?

16 A This is a property that Bill Poff and myself met with the
17 seller to negotiate a purchase and sale price.

18 Q Let me back up. Did you purchase this property in February
19 of 2007, in your name?

20 A Yes.

21 Q And was it one of the 27 properties you mentioned earlier?

22 A Yes, ma'am.

23 Q Can you look, please, at Exhibit 600. What is this house in
24 this photo?

25 A 9488 199th Avenue Southwest in Issaquah.

1 Q Does it look substantially the same in this photo as it did
2 when you purchased it?

3 A Looks to be, yes, ma'am.

4 Q Why did you select this property to make an offer on?

5 A I believe this property was found by Bill Poff on a list,
6 that he thought it was a beautiful house.

7 Q Who prepared the purchase and sale?

8 A I did.

9 Q Can you look, please, at Exhibit 610, which I believe was
10 admitted as an Ownit business record? Is this the purchase and
11 sale agreement for the property located at 9488 199th Avenue
12 Southeast in Issaquah?

13 A Yes, ma'am.

14 Q Who was the buyer on this purchase and sale agreement?

15 A In this purchase and sale agreement it is my mother, Armenuhi
16 Harutyunyan.

17 Q Who is the seller?

18 A Mr. and Ms. Hsu.

19 Q H-S-U?

20 A H-S-U.

21 Q What was the price that you offered?

22 A \$1.5 million.

23 Q And is that what it says on this purchase and sale agreement?

24 A Yes, ma'am.

25 Q What was the outcome of that offer?

1 A This offer did not work out. It did not close.

2 Q So what happened after the original negotiation -- the
3 original offer for 1.5 million did not close?

4 A It contained seller carryback, and the sellers refused.

5 Q So then was there some time period before you started talking
6 again?

7 A Yes, ma'am. Some time passed, and Mrs. Hsu gave me a call
8 and said that she had -- she no longer is being represented by an
9 agent and she would like to deal with us directly.

10 Q What happened after that?

11 A That's when Bill Poff, myself and Mrs. Hsu met at Barnes and
12 Noble in Seattle at the Starbucks coffee shop to possibly
13 renegotiate the deal.

14 Q And what was discussed at that meeting?

15 A A few options were presented to her to see if she would
16 agree. One of the options was still the carryback. The second
17 option was lower principal amount, but she would get paid all of
18 it.

19 Q Are you okay?

20 THE COURT: I forgot to give my standard warning here.
21 We have automatically adjustable shutters. And when they move,
22 they move all at the same time, and they make a very large sound.
23 Don't worry, it is not falling down, at least not yet.

24 By Ms. Vogel:

25 Q You were telling us what was discussed at this meeting with

1 Ms. Hsu about the purchase of property located in Issaquah.

2 A Yes, ma'am. A few options were presented to her. One was a
3 carryback. The second one was she would get paid off at closing
4 the whole principal, but she would agree to raise the purchase
5 and sale price for it to be an easier financing, but she was
6 going to get a lower amount.

7 Q Ultimately, did you reach an agreement with Ms. Hsu?

8 A Yes, ma'am.

9 Q What was the agreement you reached?

10 A The actual agreement that all three of us reached was that
11 she would net \$1.3 million, minus her closing costs, and we would
12 raise the purchase and sale price to its appraised value versus
13 the actual value.

14 Q So what was the actual agreed price that you were going to
15 pay for property number six on our chart?

16 A \$1.3 million.

17 Q And what was the purchase price on all the paperwork?

18 A It later became \$2 million.

19 Q Can you look, please, at Exhibit 615? This is not admitted.
20 Do you recognize this document?

21 A Yes, I do.

22 Q What is it?

23 A It is a purchase and sale agreement for the property in
24 Issaquah.

25 Q And what does -- Did you prepare this document?

1 A Yes, I did.

2 Q And did you sign this document?

3 A Yes, I did.

4 Q And what does this document say about the price of the
5 property?

6 A That it is listed for -- we asked \$2 million.

7 Q Was that true?

8 A No.

9 Q Now, this document, Exhibit 615, can we zoom in on the name
10 of the buyer and seller? The buyer's name here is Ikilikyan.
11 Can you explain why that changed?

12 A Again, it was directed by Bill Poff for reasons for
13 financing.

14 Q What happened after you reached this agreement the second
15 time around with Ms. Hsu?

16 A We came to have a signed agreed purchase and sale
17 agreement -- Well, after the meeting, the paperwork followed.

18 Q Who was the loan officer?

19 A The loan officer for this was Tony Reyes.

20 Q And what was the loan broker?

21 A It was America One Finance that closed it.

22 Q Do you have any personal knowledge of how the loan
23 information was conveyed to Tony Reyes for the -- to begin the
24 loan process for this particular property?

25 A Yes, ma'am. The paperwork was forwarded to America One

Finance by Bill.

Q And in what form?

A E-mails.

Q Can you look, please, at Exhibit 616, which is not admitted?

Do you recognize what this is?

A Yes, ma'am.

Q What is it?

A It is an e-mail from USMR at Comcast dot net, which is one of the e-mails Bill and I used, to Tony. It says, "Here is the purchase deal for Alexis. We need this one done ASAP."

Q Did you write the e-mail in the body here to Tony?

A I did not.

The USMR at Comcast dot net e-mail address was used by whom?

A By Bill Poff and myself.

Q Who else had access to that e-mail address?

A Nobody.

Q According to this e-mail, the body of that e-mail, it was then forwarded to somebody in the "to" line, Emil Anderson. Who is that?

A Emil Anderson was the processor for America One Finance.

Q The title says "attachment." What was that?

A It looks to be the 1003 for WaMu. It is titled "Alexis, new credit."

Q And also part of this exhibit -- Do you recognize what this attachment is?

1 A Yes, ma'am. It is a 1003.

2 Q Is that for property number six?

3 A Yes, ma'am.

4 MS. VOGEL: Move the admission of Exhibit 616.

5 THE DEFENDANT: No objection, your Honor.

6 (616 admitted.)

7 THE COURT: 616 is admitted. Counsel, did you move on
8 615?

9 MS. VOGEL: I was told it was already admitted.

10 By Ms. Vogel:

11 Q Let's go back to the first page on Exhibit 616, please. Can
12 you zoom into the date?

13 THE COURT: Counsel, are you going to talk about 616 for
14 a while?

15 MS. VOGEL: For a few minutes, yes.

16 THE COURT: Let's take our break. Ladies and gentlemen,
17 we will take our afternoon recess at this time. Be back around
18 3:15. We will be in recess.

19 (At this time a short break was taken.)

20 THE COURT: You are still under oath. You may resume.

21 THE DEFENDANT: Sir, I would like to bring up an issue
22 real quick, that I just noticed.

23 THE COURT: Yes.

24 THE DEFENDANT: I agreed to admit document 616. As I
25 was looking at it, sir, it says that this is an e-mail forwarded

1 from the USMR at Comcast dot net account to Tony Reyes. The
2 actual e-mail is from Tony Reyes to Emil Anderson. It says here
3 under attachments, 1003 for WaMu, which I am assuming would be a
4 loan application for a Washington Mutual loan of some type. And
5 then there is two other attachments, but those are not included
6 with this. And I am looking at the 1003. This doesn't say
7 anything about being a WaMu 1003. As a matter of fact, it has a
8 fax header up at the top that says the document was faxed out
9 three or four days prior to this actual e-mail, sir.

10 THE COURT: And that is a great topic for
11 cross-examination, counsel.

12 THE DEFENDANT: I was objecting to the document because
13 of that. It doesn't appear on its face to be the proper
14 attachment to this e-mail. Plus, the other two attachments are
15 not with this e-mail, sir.

16 THE COURT: That would be the doctrine of completeness.
17 Did you stipulate to this when you did the stipulation on
18 admissibility?

19 THE DEFENDANT: Was this business records?

20 MS. VOGEL: No.

21 THE COURT: All right. Let's do this: I will let you
22 raise this at the end of the day. In the meantime, I am sure the
23 government can scramble around and figure out if they want to
24 resist it or not. Let's move forward with our witness.

25 THE DEFENDANT: Thank you, sir.

1 THE COURT: Remind me when it is the end of the day.

2 THE DEFENDANT: Yes, sir.

3 | By Ms. Vogel:

4 Q Can we please pull up Exhibit 616 again? Ms. Ikilikyan, what
5 is the date of this e-mail that was sent from your USMR -- you
6 and Mr. Poff's USMR address to Tony Reyes?

7 A December 23rd, 2006.

8 Q Do you have any recollection of sending this e-mail?

9 A I do not.

10 Q Let's look at the attachment, the 1003. If you could zoom in
11 on the top half? What property is this for?

12 A It is for 9488 199th Avenue Southeast in Issaquah.

13 Q What is the amount this 1003 says it is requesting?

14 A It is requesting \$1.5 million.

15 Q And can you scroll down through the rest of the document, of
16 that first page? Who is listed as the proposed borrower on this
17 1003 that was e-mailed from your e-mail account to Mr. Reyes?

18 A I am.

19 Q And did you prepare this 1003?

20 A I did not.

21 THE DEFENDANT: Objection, your Honor. We do not know
22 that. It has been e-mailed.

23 | THE COURT: I will overrule that objection.

24 | By Ms. Vogel:

25 Q This 1003, does it contain the same false information about

1 your employer that we saw in the earlier ones?

2 A Yes, ma'am.

3 Q Can you look at page 2, please? What does this 1003 state --
4 say was income -- your monthly gross income.

5 A It states that the companies make \$100,126 a month.

6 Q So if you break that down, does that \$100,000 figure actually
7 include some net rental income as well?

8 THE COURT: Some what?

9 THE WITNESS: Yes.

10 MS. VOGEL: The \$100,000 figure that she just cited, I
11 am asking if that also includes the base employment income plus
12 some net rental income?

13 THE COURT: Rental. All right. Thank you.

14 By Ms. Vogel:

15 Q Your answer was?

16 A Yes, ma'am.

17 Q And did you have any input into the numbers that are on this
18 document?

19 A I do not remember having any input on this, no.

20 Q Can you turn to page 6 of this document, this 1003. And on
21 the bottom quarter of this document does it say who the
22 interviewer was?

23 A It says Bill Poff.

24 Q What is the name of the interviewer's employer, to the right?

25 A U.S. Mortgage and Investments, LLC.

1 Q Again, that is your brokerage that you described earlier?

2 A Yes, ma'am.

3 Q Who was the loan officer for that mortgage?

4 A Bill Poff.

5 Q Do you know how people fill out 1003s?

6 A I know it is done in a system on the computer.

7 Q Do you know whether your -- whether any one of your home
8 computers, when you and the defendant were married, had that
9 program on it?

10 A His computer did, yes.

11 Q Could you look, please, at Exhibit 621?

12 THE COURT: Before we move on, I have a question. Is
13 this form one that can be submitted to any bank or does each bank
14 have its own form?

15 THE WITNESS: I believe this is a form that can be
16 submitted to any bank, your Honor.

17 THE COURT: And where would it say the name of the bank
18 that the form is being submitted to?

19 THE WITNESS: Your Honor, that is a great question.
20 Since I never filled one out, I have no idea. I don't know where
21 it is.

22 THE COURT: All right. Thank you.

23 THE WITNESS: You're welcome.

24 By Ms. Vogel:

25 Q Can we look, please, at Exhibit 621? This was admitted

1 earlier as an Aurora Loan Services record. Another 1003 form.

2 Does this appear to have your signature in the top left-hand
3 corner?

4 A Yes, ma'am.

5 Q And what is the subject property for this 1003?

6 A 9488 199th Avenue Southeast Issaquah.

7 Q And what is the amount listed as the loan amount in this
8 1003?

9 A \$1,406,250.

10 Q Is that the same property -- is this 1003 for the same
11 property as the 1003 we just looked at --

12 A Yes, it is.

13 Q -- Exhibit 616?

14 A Yes, ma'am.

15 Q Do they appear to be different documents?

16 A The numbers are different on the purchase and sale.

17 Q What role did you have in the creation of this 1003, the one
18 that was actually sent to the lender?

19 A None, ma'am.

20 Q And if we could just scroll down to the borrower again. Who
21 was the borrower on this one that went to the lender?

22 A It was me, ma'am.

23 Q And does it contain the same information as the one we just
24 looked at and the one we had seen earlier about your employment?

25 A Yes, ma'am.

1 Q And could we look at the income line on the second page of
2 this 1003 that was obtained from Aurora Loan Services? What does
3 it say about your income?

4 A Income is lower. It is \$33,629.50.

5 Q Again, was that more than your true income?

6 A Yes, ma'am.

7 Q And when you say it is lower, what do you mean, lower than
8 what?

9 A The last 1003 stated that I made \$100,000.

10 Q The one in the e-mail?

11 A Yes.

12 Q Turn to the next page, please. And on this 1003, 621, who is
13 named as the interviewer?

14 A It is Tony Reyes.

15 Q And do you recall signing this document?

16 A Yes, I do.

17 Q And who is it that asked you to sign this document, do you
18 recall?

19 A Bill Poff.

20 Q Mrs. Ikiliyan, did you have any involvement in the creation
21 or submission of a 1003 or loan application for a second mortgage
22 on property number six, the Issaquah property, to National City
23 Bank?

24 A I did not complete the loan applications.

25 Q Ms. Ikiliyan, from your recollection, were you able to get

1 cash out of the closing of this property, the Issaquah property,
2 in line number six?

3 A Yes.

4 Q Can you give us an idea how much?

5 A It was approximately \$400,000.

6 Q How much money did you or the defendant put down on this
7 property?

8 A No down payment.

9 Q How were you able to hide the fact that you didn't make a
10 down payment?

11 A It was through -- the sellers were receiving 1.3 million, the
12 purchase and sale price was \$2 million. The rest of it was --
13 There was fictitious receipts created, and also promissory notes
14 created to allow escrow to pay the buyers, meaning Bill Poff and
15 myself, the amount of money.

16 Q Can you look, please, at Exhibit 633? Do you recognize this
17 document?

18 A Yes, ma'am.

19 Q What is it?

20 A It is an invoice, a bill to David and Joyce Hsu.

21 Q Who are they?

22 A The sellers.

23 Q Of Issaquah, number six?

24 A Yes, ma'am.

25 Q Are you the owner of Fidelis Enterprises?

1 A Yes, I am.

2 Q At least on paper?

3 A Yes.

4 Q What is the address on this particular invoice where it says
5 Fidelis Enterprises? Do you know that address?

6 A Yes, ma'am.

7 Q Whose home was that address?

8 A That was the residence for Bill Poff and myself.

9 Q Did you prepare this document?

10 A I did not.

11 Q Do you know who did prepare this document?

12 A Yes, ma'am. It was Bill Poff.

13 Q Do you know how this document got into the possession of the
14 seller, Joyce Hsu?

15 A Yes. Bill prepared it and delivered it to escrow officer
16 Micki Thompson.

17 MS. VOGEL: Move the admission of Exhibit 633.

18 THE DEFENDANT: No objection, your Honor.

19 THE COURT: 633 is admitted.

20 (633 admitted.)

21 By Ms. Vogel:

22 Q Can we go back up to 633? In connection with the purchase of
23 the Issaquah property, property number six, did Fidelis
24 Enterprises perform a \$600,000 plus remodel?

25 A No, ma'am.

1 Q Does Fidelis Enterprises perform any remodels?

2 A No.

3 Q Let's look at Exhibit 631, which I believe was admitted as a
4 Great American Escrow business record. Can you tell us what this
5 is?

6 A It appears to be another fictitious receipt -- bill to Joyce
7 Hsu from -- I don't see the company.

8 Q Are you aware of any repairs in the nature of upgrade home
9 and change floorings done to this property in connection with the
10 purchase?

11 A No, ma'am.

12 Q Do you recognize the e-mail address on the left-hand side of
13 this invoice?

14 A Yes, ma'am.

15 Q Whose e-mail address is Tony Homes at Comcast dot net?

16 A I am assuming it is Tony Reyes'.

17 Q Do you know whether it is or not?

18 A I was more familiar with his other e-mail address, more so
19 than this one.

20 THE DEFENDANT: Objection, your Honor. She is assuming.

21 THE COURT: You are moving to strike her answer, I think
22 is what you are saying?

23 THE DEFENDANT: Yes, sir.

24 THE COURT: I am going to sustain that.

25 By Ms. Vogel:

1 Q Can you back up, please? Ms. Ikilikyan, did you have any
2 role in creating this invoice?

3 A I did not, no.

4 Q Can you look, please, at Exhibit 632, also a Great American
5 Escrow business record. Can you tell us what this is?

6 A It is another bill to Joyce Hsu in the amount of 119 --
7 almost \$119,199.80.

8 Q Did you have a role in creating this invoice?

9 A I did not.

10 Q Do you know the purpose of these documents and why they are
11 in the Great American Escrow file for this transaction?

12 A Basically all of the receipts were created in order to
13 justify why the buyer should receive funds instead of the seller.

14 Q Can you look, please, at Exhibit 627? This I believe was
15 admitted yesterday as a National City Bank business record. Can
16 I direct your attention -- First of all, is this HUD-1
17 settlement statement for property number six, the Issaquah
18 property?

19 A Yes, it is.

20 Q Specifically your purchase of that property?

21 A Yes, ma'am.

22 Q I want to direct your attention to line 1305 of this form. I
23 know it is very hard to read. I think that is on the second
24 page. Can you find and read 1305?

25 A Yes, ma'am.

1 Q What does it say?

2 A It looks to be, "redo property, Marquin House Jobs."

3 Q Can you see the amount of money on that line?

4 A \$539,226.

5 Q And on the right side of that line, is that deductions from
6 seller proceeds?

7 A Yes, it is.

8 Q Can you look back on the bottom third of line 1309? Can you
9 read that?

10 A Pay off personal note.

11 Q What was the amount?

12 A \$120,000.

13 Q Can you tell us, Ms. Ikilikyan, was there a payment for over
14 \$500,000 to Marquin House Jobs in association with your purchase
15 of this property in Issaquah?

16 A No, there was not.

17 Q Was there a payment of \$120,000 to your mother, Armenuhi
18 Harutyunyan, associated with this property in Issaquah?

19 A Yes, ma'am.

20 Q Who got that money that was paid to your mother?

21 A Bill Poff and myself.

22 Q Was there an existing debt at the time of the purchase
23 between Armenuhi Harutyunyan and the seller, Joyce Hsu?

24 A No, ma'am.

25 Q Can you look, please, at Exhibit 629, which I believe is

1 admitted as a Great American Escrow business record. Do you
2 recognize this document?

3 A Yes, ma'am.

4 Q Have you ever seen this document before?

5 A Can I take a moment, ma'am?

6 Q Sure.

7 A Before the arrest, I did not know about this document. After
8 the arrest, I did learn that there was a promissory note created
9 between my mom and Joyce Hsu.

10 Q Did you have any role in creating this document and placing
11 it in the Great American Escrow file?

12 A No, ma'am.

13 Q Where was that \$400,000 surplus that you described earlier --
14 where was that paid? Where did it go?

15 A \$100,000 stayed in the Great American Escrow, and the rest of
16 it came to -- went to the general account ending in 3135.

17 Q And what did you use the \$100,000 that stayed in escrow for?

18 A To purchase the property number seven.

19 Q Property number seven on Exhibit 1, the big chart?

20 A Yes, ma'am.

21 Q Before I get to that, after you purchased property number
22 six, approximately a month later, in March of 2007, what happened
23 with regard to your National City Bank second mortgage?

24 A Because of the dispute with an appraiser the second mortgage
25 was refinanced to obtain more loan. And that's what happened

1 after closing the original loan.

2 Q And what was your role in refinancing that second mortgage?

3 A I did not have any role in it.

4 Q Who did it?

5 A America One Finance.

6 Q And who got -- who provided the information to America One
7 Finance so they could refinance the loan in your name on property
8 number six?

9 A Bill Poff.

10 Q As a result of that refinance one month later, were you and
11 the defendant able to get any more money out of this property?

12 A Yes, ma'am.

13 Q Approximately how much?

14 A For the second mortgage, I don't remember the exact amount,
15 but it was -- I would be speculating. 100,000, I think.

16 Q Again, I don't want you to speculate. I know you were
17 involved in this, so what I am asking is, what is your best
18 recollection of the amount of money that you and Mr. Poff were
19 able to get back? And if you need to give us a range it fell
20 within, that is acceptable.

21 A I really don't remember. Sorry.

22 Q Are you current on your mortgage payments for your first
23 mortgage for this property, 9488?

24 A No, ma'am.

25 Q When did you stop making payments on that property?

1 A April of 2008.

2 Q And what about the second mortgage to National City Bank?

3 A April of 2008.

4 Q So what is the current status of this property?

5 A It has gone into foreclosure.

6 Q Let's move to property number seven on our chart,

7 Ms. Ikilikyan. Are you familiar with that property, 7038 South
8 Puget Sound Avenue in Tacoma, Washington?

9 A Yes, ma'am.

10 Q And how is it you are familiar with that property?

11 A This is a property that Bill Poff's friend was selling. And
12 Bill Poff negotiated the price with his friend. And we bought
13 the house.

14 Q And did you buy it on March 7th, 2007?

15 A Yes.

16 Q Who was the buyer on paper?

17 A On paper it is myself.

18 Q Let's look at Exhibit Number 700, please. Do you recognize
19 the house in this photograph?

20 A Yes, ma'am.

21 Q Is that the house, property number seven?

22 A Yes, it is.

23 Q And the photograph here, does that represent the way the
24 property looked when you purchased it in March of 2007?

25 A Yes, ma'am. The doors were boarded up when we purchased it.

1 Yes.

2 Q Other than that, does it appear to be substantially similar?

3 A Yes, ma'am.

4 MS. VOGEL: Move the admission of Exhibit 700.

5 THE DEFENDANT: No objection, your Honor.

6 THE COURT: 700 is admitted.

7 (700 admitted.)

8 By Ms. Vogel:

9 Q Who negotiated for the purchase of this property -- for your
10 purchase of this property?

11 A For this property it was Bill Poff with his friend.

12 Q And who was the seller?

13 A His friend, William Stepp.

14 Q What was the sales price -- agreed sales price?

15 A The agreed sales price was between 100- and 101,000,
16 somewhere around there.

17 Q Do you have any knowledge why some of the documents say the
18 sales price was \$150,000?

19 A Yes, ma'am. When we were in closing, Bill Poff directed
20 Micki to record the deed of trust as \$150,000 to help -- to
21 resell the property at a later date.

22 Q What did the Stepps know about this?

23 A I'm not sure, ma'am. I do not recall.

24 Q Can you look, please, at Exhibit 704, previously admitted as
25 a Great American Escrow business record? What is this document?

1 A This is the purchase and sale agreement, ma'am.

2 Q What does this say -- I'm sorry. Is this for property

3 number seven on our chart?

4 A Yes, it is.

5 Q What does this say is the purchase price?

6 A \$150,000.

7 Q Did you prepare this document?

8 A Yes, I did.

9 Q Were you present when this was signed by the sellers or do

10 you recall?

11 A I don't recall. I don't think so, ma'am.

12 Q Can you look, please, at Exhibit 708? This was previously

13 admitted as a Great American Escrow business record. Is this the

14 HUD-1 settlement for this property, property number seven?

15 A Yes, ma'am.

16 Q And this is for your purchase of this property from

17 Mr. Stepp; is that correct?

18 A Yes, ma'am.

19 Q What does this document state was the contract sales price?

20 A \$150,000.

21 Q What was the real contract sales price?

22 A Around -- I believe it was \$100,000.

23 Q On the left-hand side of this document, where it says in the

24 200 series, amounts paid by or on behalf of the borrower, line 2

25 of 5. Can you read that?

1 A Yes, ma'am.

2 Q What does that say?

3 A Deposit to seller \$50,000.

4 Q At any point during this transaction did you or the defendant
5 give the seller, Mr. Stepp, \$50,000?

6 A No, we did not.

7 Q Do you know how the HUD settlement statement came to say
8 that?

9 A It was created, ma'am.

10 Q By whom?

11 A By Micki Thompson.

12 Q Ms. Ikiliyan, did you take out any loans to buy this
13 property, property number seven?

14 A No, ma'am.

15 Q Can you look at Exhibit 704? I apologize. 703. Can you
16 tell us what this is?

17 A Yes, ma'am. It is a quitclaim deed.

18 Q From whom to whom?

19 A From William Poff to me.

20 Q And is that dated approximately the same time that you
21 purchased this property from Mr. Stepp?

22 A Yes, ma'am.

23 Q And does this pertain to property number seven on our chart,
24 7038 South Puget Sound Avenue?

25 A Yes, ma'am.

1 Q Could you explain to us, Ms. Ikiliyan, why Mr. Poff
2 quitclaimed his interest in the property to you for this purchase
3 if there was no loan?

4 A Yes, ma'am. Two reasons. One, Mr. Poff told me he had debt,
5 he did not want the creditors to attach liens to this property,
6 because it was free and clear. He also told me that he had a
7 dispute with his ex-wife regarding day-care issues. Until he had
8 resolved that, he did not want anything in his name. So he would
9 not attach -- so they would not attach any liens to his property.

10 Q Ms. Ikiliyan, after you had owned this property for a while,
11 do you have any recollection of you or the defendant trying to
12 take out another loan on this property?

13 A I don't recall any loans being attempted to be taken out on
14 this property.

15 Q Do you still own this property?

16 A No.

17 Q Who did you sell it to?

18 A Bill Poff and myself sold it to Tony Reyes.

19 Q Can you look, please, at Exhibit 716, which I hope is the
20 statutory warranty deed for that sale. Did that sale happen on
21 approximately August 13th of 2008?

22 A Yes, ma'am.

23 Q And on this statutory warranty deed, where it says the
24 grantor, who is named here as the grantor?

25 A I am.

1 Q And who else?

2 A Grantor, it says Alexis Ikilikyan.

3 Q Who took title as a married woman as her separate estate
4 and --

5 A I'm sorry. It just says Alexis Ikilikyan, from what I am
6 looking at.

7 Q I'm sorry. In the middle of the page, where it says the
8 grantor, Alexis Ikilikyan?

9 A Yes. "The grantor, Alexis Ikilikyan, took title as a married
10 woman as her separate estate, and William Poff, husband and wife,
11 for and in consideration of \$10 and other goods and valuable
12 consideration."

13 Q When in relation to your final divorce was the sale of this
14 property?

15 A This sale closed -- took place during the month -- it was the
16 middle of August when it closed, and the divorce was finalized
17 August 31st.

18 Q Of 2008?

19 A 2008.

20 Q How much money did you and the defendant obtain from selling
21 this property to Tony Reyes?

22 A The purchase and sale to Tony Reyes was between \$100- and
23 \$110,000, because he came back and wanted it lowered. So that's
24 why the numbers are unclear. I believe the net was \$102,000,
25 approximately.

1 Q Can you look at Exhibit 717, the Great American Escrow
2 business record? Can you tell us what this is?

3 A It is a purchase and sale agreement between myself as the
4 seller to -- Mario is the buyer.

5 Q Is that the person to whom you sold 7038 South Puget Sound
6 Avenue?

7 A Yes.

8 Q This lists the purchase price as what?

9 A \$150,000.

10 Q Can you explain why you just told us the purchase price was
11 \$110,000?

12 A Yes, ma'am. The purchase and sale price -- it was agreed
13 that they would inflate the purchase and sale so they would go in
14 and perform a lot of work that needed to be done. And, also, in
15 addition to that, to net money out of that transaction.

16 Q How much money did you and the defendant get paid when you
17 sold this property, despite the fact that it says you sold it for
18 \$160,000?

19 A We actually netted around \$102,000.

20 Q Who got that money?

21 A Bill Poff and myself.

22 Q What happened to your half?

23 A My half went into the business account.

24 Q What account did the money go into, is what I meant to ask.

25 A I believe that money actually went into a different business

1 account, only because the 3135 account was looked at more of a
2 joint account, even though it was in my name. That actually went
3 into a different account, and then I put it into U.S. Bank, which
4 was my personal account after the divorce.

5 Q And what happened to the defendant's half of the proceeds
6 from the sale of this property?

7 A His half went to T&K Investments.

8 Q Was it exactly half?

9 A No.

10 Q Why not?

11 A During the time we were negotiating the divorce, Mr. Poff
12 wanted all the monies that I had spent during the time he was
13 away in Michigan -- he wanted to be reimbursed for all that, plus
14 a grandfather clock that I had agreed to pay for, just to make
15 things easier for the divorce. So he got a few thousand more
16 than I did.

17 Q And where did the rest of the money go, the \$102,000 that you
18 and the defendant shared and the purchase price of \$150,000?

19 A The rest of it?

20 Q Who got that money?

21 A I know Bill Poff and myself did not. I don't know how
22 they -- the buying side -- I'm not sure how they did their loan
23 or their numbers.

24 Q I want to direct your attention now to the last property on
25 the chart, number eight, 27419 8th Avenue South, Des Moines,

1 Washington. Are you familiar with that property?

2 A Yes, ma'am.

3 Q How are you familiar with that property?

4 A This is the property that Tony Reyes had picked to purchase
5 for himself to live in. He came to Bill Poff and myself and
6 asked if either my mom or myself could qualify for this loan,
7 because his straw buyers would not qualify for this property.
8 And everybody agreed to the terms he presented, which was 50/50
9 ownership. He would pay 66 percent of the payments, and Bill
10 Poff and myself would pay 33 percent of it. All maintenance
11 would be taken care of by Tony Reyes. In fact, if we sold the
12 property years later, any proceeds that came out of it we would
13 split 50/50 with Tony Reyes.

14 Q Can you look at Exhibit 800, please? Do you recognize this
15 house?

16 A Yes, ma'am.

17 Q What is it?

18 A That is the property on the chart, number seven.

19 Q Seven?

20 A Eight.

21 Q Is that a photograph of 27419 8th Avenue?

22 A Yes.

23 Q Is that what it looked like when you purchased it in your
24 mother's name?

25 A Yes, ma'am.

1 Q Why did you purchase this property in your mother's name?

2 A Again, this was dictated by Bill Poff, who was doing the
3 finance. She had less houses on her credit. It was easier for
4 her to qualify.

5 Q What role did you have in the purchase of this property,
6 property number eight, by your mother?

7 A Originally I negotiated the terms with the listing agent, and
8 I prepared the purchase and sale documents, and submitted it to
9 the listing agent for it to be accepted or denied by the seller.

10 Q What happened?

11 A The offer did get accepted.

12 Q And then what happened?

13 A Escrow proceeded to be started by me. I sent the paperwork
14 to Bill Poff, and he attempted to get a loan for this property
15 for my mom. He wanted another loan officer to close this deal,
16 and it did not work out, so that deal fell apart.

17 Q What happened after that?

18 A After that Tony Reyes contacted us again and said that
19 America One Finance could in fact close this deal.

20 Q And you say "contacted us." Who did Tony Reyes contact?

21 A Bill Poff and myself.

22 Q So ultimately for the deal that actually closed, who did the
23 loan officer work?

24 A America One Finance did.

25 Q Who at America One Finance?

1 A Emil Anderson was the processor for this transaction.

2 Q Can you look at Exhibit 809? Is this a 1003 -- This was
3 previously admitted. It is a Just Mortgage business record. Is
4 this a 1003 for 27419 in your mother's name?

5 A Yes.

6 Q What role did you have in this?

7 A None at all.

8 Q Let's see what this information contains as to your mother's
9 employment. I'm sorry, that is her address. It is on the next
10 page. What information about employment does this contain per
11 your mother?

12 A Hay Computer Networking & Consulting.

13 Q Is that all the same information that we have seen in the
14 previous applications in your mother's name?

15 A Yes, ma'am.

16 Q Were you and the defendant able to get cash back from this
17 closing?

18 A Yes, ma'am.

19 Q How much?

20 A I remember it being over \$100,000.

21 Q Are you aware of whether there was a seller financing
22 agreement for the purchase of this property?

23 A Yes, ma'am.

24 Q What was your role in negotiating that seller financing
25 agreement?

1 A The second time I actually was not the agent, it was Tony
2 Reyes. He negotiated six and a half percent interest only for
3 the second mortgage.

4 Q And after this closing -- after this property closed, who
5 handled the closing on this property?

6 A Micki Thompson at Great American Escrow.

7 Q Were you present when the closing documents were signed?

8 A I was not.

9 Q Were you present --

10 A Excuse me. Yes. I'm sorry.

11 Q Did you actually sign these documents?

12 A Yes, ma'am.

13 Q At the time the closing documents were signed, who else was
14 present at Great American Escrow?

15 A Bill Poff. I don't recall if Tony Reyes was present. I
16 don't remember. If this was his house, I am assuming he had very
17 much knowledge of it.

18 Q And who else was present besides the defendant?

19 A Micki Thompson.

20 Q And were you there as well?

21 A Yes, I was.

22 Q And after that closing, what kind of discussion did you and
23 Ms. Thompson and the defendant have about where the money should
24 go from this property and what the HUD should look like?

25 A I do roughly remember at that time Tony had arrears with Bill

1 Poff and myself. He hadn't been catching up with his payments
2 for the other properties that we owned together. It was directed
3 that a certain amount would come to us out of the loan for the
4 debt for the other properties.

5 Q When you say "it was directed," who did the directing?

6 A Bill Poff and myself.

7 Q Where did that money go after this property closed?

8 A To the general account ending in 3135.

9 Q And who made monthly payments on the loans for 27419?

10 A I did.

11 Q Out of what account?

12 A Out of the general account, 3135.

13 Q Did your mother ever move into this property?

14 A No, ma'am.

15 Q Are the monthly payments current for this property?

16 A No, ma'am.

17 Q When did the payments stop?

18 A April of 2008.

19 Q And who made the payments to the sellers on the seller
20 financing agreement?

21 A I did.

22 Q Are you current on those?

23 A No.

24 Q When did those stop?

25 A April of 2008, I believe.

1 Q So what is the current status of this property?

2 A It has gone into foreclosure.

3 MS. VOGEL: Just a moment, your Honor.

4 By Ms. Vogel:

5 Q Just a few more questions, Ms. Ikiliyan. When you and the
6 defendant got cash from closing from Great American Escrow, who
7 did Great American Escrow make those payments out to?

8 A On this transaction, ma'am, it is very much unclear, on this
9 house only. I don't remember if the payments actually went to
10 our account or to Tony, and then later came to our account.

11 Q As between you and the defendant, were there any occasions
12 when the checks from Great American Escrow were actually made out
13 to the defendant?

14 A Bill Poff? No.

15 Q Who were they made out to?

16 A Always to me. Or if it was commissions, to the company.

17 Q And why is that?

18 A Bill Poff did not want income in his name.

19 Q You have talked about this one account. I think your words
20 were the general account, Washington Mutual, 3135. What portion
21 of the proceeds from these closings do you estimate went into
22 that one account?

23 A Overall, approximately -- My calculations is unclear. I
24 tend to think it was around a million dollars.

25 Q I apologize if I wasn't clear. I am trying to get a sense of

1 what percentage, was it 50 percent, 20 percent, 80 percent? What
2 percentage of the time did you put the money that you got from
3 Great American Escrow into that one bank account?

4 A It was in the very high 90s, yes, ma'am.

5 Q At the time that you were using that general account, WaMu,
6 1335, did you also use bank accounts in your name?

7 A Yes, ma'am.

8 Q What were those banks?

9 A Bank of America, Wells Fargo, and a few other banks that were
10 not really being used, such as maybe Navy Federal Credit Union.

11 Q What did you use those other bank accounts for?

12 A Originally, when the Navy Federal Credit Union was opened,
13 Bill Poff had advised me that is a very good bank, their rates
14 are very good, and it would be good if we were members. And that
15 was opened. We never attempted to do loans with that bank.

16 Q Was there a reason that you used one bank account for most of
17 the money?

18 A Yes, ma'am, it is just easier tracking.

19 Q Who were the signers on that general account, the Washington
20 Mutual 3135 account?

21 A I was only.

22 Q Who had access to the money in that account?

23 A Bill Poff.

24 Q Anybody else?

25 A No.

1 Q How about yourself?

2 A I'm sorry. Myself.

3 Q How did Bill Poff have access to that account if he was not a
4 signer?

5 A He would have access to the on-line banking, and also there
6 were a few times that he wrote checks in my -- and signed my
7 name, which was authorized by me, except for one time.

8 Q Did you have a debit card for that WaMu account?

9 A Yes, ma'am.

10 Q And how many debit cards were issued for that account?

11 A Just one.

12 Q Who carried that debit card?

13 A I did most of the time.

14 Q And when you say "most of the time," does that mean there
15 were times that you didn't?

16 A There were just one time I recall Bill Poff having my card.

17 Q What did you use the accounts -- the funds deposited into
18 that account for during the time that you two were purchasing all
19 these properties?

20 A That account was used for personal bills as well as the
21 mortgage payments.

22 Q What type of personal bills? Let me break it down for you.
23 How did you pay your rent or your mortgage for your own personal
24 residence?

25 A That bank account.

1 Q Was that also the defendant's residence?

2 A Yes, ma'am.

3 Q Did the defendant separately contribute any part of the rent
4 or the mortgage for the shared personal residence?

5 A No, ma'am.

6 Q How did you pay the mortgage payments and the loan payments
7 on all these other properties you and he had purchased?

8 A The same account.

9 Q How did you pay for your utilities at your own personal
10 residence?

11 A The same account.

12 Q How did you pay for your groceries and food?

13 A The same.

14 Q How did you pay for the defendant's groceries and food?

15 A It was all the same.

16 Q How did you pay for your transportation costs?

17 A The same.

18 Q How many cars did you and the defendant own during the time
19 period you were married?

20 A Two vehicles.

21 Q What were they?

22 A It was a 2005 F-350 and a 2000 E430 Mercedes.

23 Q Were there loan payments for both of those vehicles?

24 A Yes, ma'am.

25 Q What account were both those vehicles paid out of?

1 A The general account, 3135.

2 Q Every month?

3 A Yes.

4 Q Who drove which car?

5 A Bill drove the F-350 if we were at home. If we were going
6 places together, he drove the Mercedes.

7 Q How much, roughly, were the loan payments for those two cars
8 per month?

9 A Approximately 1,200 and something, close to \$1,300.

10 Q How did you pay for restaurant or entertainment expenses?

11 A The same account number.

12 Q How was the defendant's restaurant and entertainment expenses
13 paid?

14 A The same account.

15 Q How did you pay for your vacations?

16 A The same account.

17 Q Where did you go on vacation when you were married?

18 A To Hawaii for vacation.

19 Q How many times?

20 A A few times.

21 Q Who went with you?

22 A The defendant and I went a few times alone. One time the
23 defendant, myself and Tony Reyes and a friend of ours, Kevin
24 Hall, and Kevin Hall's mother.

25 Q And how was all that paid for?

1 A It was paid for by that account, and later reimbursed by
2 Kevin and his mother and Tony Reyes back to us.

3 Q When they reimbursed you, did they reimburse you for your
4 costs and Mr. Poff's costs?

5 A No, just their own costs.

6 Q What account did you and the defendant use to pay for the
7 business expenses for U.S. Mortgage and Investment, U.S. Realty
8 and Investment?

9 A The same account.

10 Q What about expenses related to your rental properties?

11 A The same account.

12 Q What account did you use to make any charitable contributions
13 or donations?

14 A The same account.

15 Q You mentioned a couple of times the defendant had child
16 support obligations. What account was used to pay for some of
17 the defendant's child support payments --

18 A The same --

19 Q -- to his former wife?

20 A Some of them were made by that account.

21 Q Do you know who Robert Helland is?

22 A Yes, ma'am.

23 Q Who is he?

24 A He was Bill Poff's attorney, representing him in his divorce
25 and child visitation.

1 Q And what account was used to pay for the defendant's divorce
2 attorney, Robert Helland?

3 A The account ending in 3135.

4 Q There are checks written out to Mr. Helland from that
5 account?

6 A Yes.

7 Q Who wrote those checks?

8 A I did.

9 Q From your perspective, Ms. Ikiliyan, who owned the money
10 deposited into the 3513 account?

11 A The defendant and myself.

12 Q Did Mr. Poff have any bank accounts in his name during the
13 time you were married that you are aware of?

14 A Yes, ma'am, there was one.

15 Q What bank was that?

16 A It was another WaMu account.

17 Q What money, to your knowledge, went into that account?

18 A One- or \$200 a month, ma'am.

19 Q What was that money used for?

20 A It was used for the defendant's coffee or lunch money. Just
21 in case I was doing the reserve duty for the weekend and I was
22 not available, that is the money he would use if I was not
23 available.

24 Q Where did the money to fund that account come from?

25 A The 3135 account.

1 Q To your knowledge, did the defendant have any credit cards in
2 his own name?

3 A He did not have anything in his name. He was, however, an
4 authorized user of a credit card that I had.

5 Q And how would you pay the bill for that card?

6 A From the 3135 account.

7 Q Who prepared -- I will skip that. When you were divorced in
8 the fall of 2008, how did you divide your assets?

9 A Mr. Poff wanted to have money instead of furniture, except
10 for a few pieces of the furniture. He wanted the truck.

11 Q And what about the real estate, how was that divided?

12 A 50/50.

13 Q And were there properties sold or did you retain them?

14 A It wasn't sold --

15 Q Did you sell the properties?

16 A I was not able to sell any.

17 Q So the 50/50 division, how did that work for the properties
18 that you still owned?

19 A Any rents that the properties generated, minus the
20 construction costs -- the remodel costs, Mr. Poff got half of it.

21 Q Did that division of half of the rental income from
22 properties include properties that he had quitclaimed to you as
23 separate property?

24 A Yes, ma'am.

25 Q At some point, Ms. Ikilikyan, did Mr. Poff stop using --

1 drawing on the money in the Washington Mutual 3513 account?

2 A Towards the very end. November of 2009 is when he stopped.

3 I am so sorry. Go ahead.

4 Q Was it around the time of your divorce?

5 A Can you --

6 Q At some point did Mr. Poff -- did you and Mr. Poff stop

7 sharing the account 3135 at Washington Mutual?

8 A Not until the arrest. That's when it stopped.

9 Q When you and Mr. Poff separated, where did he go?

10 A He went to stay with friends in Michigan.

11 Q Do you have any knowledge of what he does for a living --

12 what he did for a living after he left?

13 A He expressed that he had started investing in Michigan.

14 MS. VOGEL: May I have a moment, your Honor?

15 By Ms. Vogel:

16 Q I want to ask you one clean-up question back on property

17 number seven on the chart, 7038 South Puget Sound Avenue, Tacoma.

18 I was a bit confused. You say when you sold this property, you

19 said you sold it to Tony Reyes.

20 A I'm sorry. You're right.

21 Q Let me finish my question. Who was the actual purchaser on

22 paper when you sold that property?

23 A At the time when the purchase and sale was completed, there

24 was no buyer's name. Tony Reyes wasn't sure which one of his

25 investors would qualify for that deal. So it was left open until

1 there was a buyer. It was Mr. Henriquez that actually bought the
2 place.

3 Q When you say it was Mr. Henriquez that actually bought the
4 place, do you know whether it was Mr. Henriquez or whether it was
5 just Mr. Henriquez' name on the paperwork?

6 A I believe it was just the name. The true answer would be I
7 truly don't know what interest Tony had. I don't know their
8 negotiations.

9 MS. VOGEL: I have no further questions.

10 THE COURT: Mr. Poff.

11 CROSS-EXAMINATION

12 By the Defendant:

13 Q Ms. Ikiliyan, good afternoon.

14 A Good afternoon.

15 Q To recap some of the questions I asked earlier, ma'am, how
16 long were you actually in the armed forces?

17 A I was in the armed forces -- the actual contract, the
18 inactive reserve status actually ended February 9th of 2009. The
19 contract itself had ended. I had stopped drilling after the
20 arrest, which was June of 2009.

21 Q What was your actual date of EAS, meaning end of active
22 service, from the United States Marine Corps?

23 A The way I understood it, the actual contract was February 9th
24 of 2010. I had reenlisted in 2000. I reenlisted for a year
25 after the contract of 2001, a six-year contract, to 2007. From

1 2007 and 2008, I reenlisted for one more year, even though it
2 wasn't a regular reenlistment, which is for four years. It was a
3 one-year enlistment to continue drilling.

4 Q The one date you gave me was February 9th, 2009. Was that a
5 mistake?

6 A That is not a mistake. It is a date -- If there was war
7 right now I would -- There is war. I would not be reactivated
8 to go overseas. So I technically became 100 percent civilian in
9 February of 2009.

10 Q And you had mentioned earlier that you were discharged from
11 the Marine Corps. You didn't state what type of discharge. You
12 said that this case had an effect upon that. What exactly was
13 the type of discharge you received from the United States Marine
14 Corps?

15 A I am going off of one phone call I made to Kansas City. And
16 since I was in inactive reserve status at the time of this
17 arrest, since I got out right away, that this case did not affect
18 my military -- anything, so it is understood to be honorable.

19 Q So you received a certificate of honor discharge?

20 A I did not receive it. I heard it takes three months to
21 receive it.

22 Q Now, you recently -- Let me back up a little bit here.
23 Ms. Ikilikyan, I am looking at your plea agreement. In your plea
24 agreement you have accepted a charge of Count 1, violation of
25 Title 18, United States Code 1344, 1343 and 1349; is that

1 correct?

2 A Yes, ma'am -- Yes, Bill. Sorry.

3 Q What was the actual element of that? It was basically that
4 you had committed fraud or you had basically lied; is that
5 correct?

6 A That I have committed bank fraud and wire fraud.

7 Q Under the elements of fraud, how would you define fraud?

8 A Dishonesty to the banks.

9 Q Lack of integrity?

10 A Lack of integrity to the banks when applying for a loan,
11 yeah.

12 Q Would you say that would be your general character overall,
13 would be lack of integrity or lack of honesty?

14 A General character? People that I know don't seem to think
15 so. I don't know.

16 Q How would you answer that question?

17 A I have made mistakes, but that's not my character.

18 Q It is not your character, but you have lied before,
19 basically? You have lied to investigators, you have lied to
20 lenders and so forth then?

21 A Since I have never dealt directly with the banks, I did not
22 lie to them directly. Investigators, yes, I did.

23 Q You stated you did not lie to the banks directly, but you did
24 admit to signing the loan applications. Was your actual
25 signature on some of these loan applications?

1 A Yes, Bill. The way it was explained to me by you was the
2 income was correct because it was based upon the actual -- the
3 money that was in the bank. You told me that that was -- the
4 loans were -- consisted of income, and not loans being loans. So
5 I thought it was okay.

6 Q Was there information on these loan applications that you
7 knew to be false?

8 A Such as -- I'm sorry. Yes.

9 Q And you did sign these loan applications?

10 A When we were sitting in escrow to sign all the loan
11 applications and contracts, there was a system of you looking at
12 the entire packet, and I would turn around and sign everything
13 that you had okayed, that there was no mistakes, everything.
14 After you okayed it, I signed it, yes.

15 Q For the sake of brevity of time, unless I ask you an
16 open-ended question, could you just respond true or false, yes or
17 no?

18 A No problem.

19 Q So to restate my question, you did sign these loan
20 applications?

21 A Yes.

22 Q And these loan applications you did know contained false or
23 fraudulent statements on them?

24 A At the time, except for the owner occupied, no, I did not. I
25 did not know that it contained fraudulent information.

1 Q I thought you had just said that you knew at the time -- at
2 the time, you knew it contained fraudulent information?

3 A With the respect of are we actually going to move into this
4 house.

5 Q In respect to occupancy?

6 A Yes.

7 Q But other materials upon those loan applications you knew to
8 be false or fraudulent misrepresentations?

9 A Not at that time, I did not know.

10 Q During the time of the alleged conspiracy you were a licensed
11 real estate agent, a licensed real estate broker and a licensed
12 mortgage broker?

13 A Yes.

14 Q And you owned two businesses, one by the name of U.S.
15 Mortgage and Investments, which was an LLC, and you also owned
16 another company, U.S. Realty Investments, which was an LLC as
17 well?

18 A On paper, yes. We owned it, yes.

19 Q And in your proffer and in your deal it says that Poff and
20 Ikiliyan were the only employees and/or principal owners or
21 operators of these companies?

22 A With respect to Mario, who applied to be a loan officer under
23 our license, and he did not complete -- he did not become a loan
24 officer. With respect to that, yes.

25 Q So who was the sole owner of these businesses?

1 A On paper? I was.

2 Q You were the owner of these businesses. Who actually -- in
3 regards to a HUD-1 settlement statement, who actually prepared
4 the HUD-1 settlement statements?

5 A Micki Thompson.

6 Q Did you have any system on your computer to create a HUD-1
7 settlement statement?

8 A I did not.

9 Q Did Mr. Poff have on his computer any way to create a HUD-1
10 settlement statement?

11 A I don't think so.

12 Q In regards to the seller carrybacks, wasn't you advised by
13 licensed professionals and/or attorneys that the system you were
14 using was legal, it was lawful at the time? Were you advised
15 that at any time?

16 A The system -- the paperwork that you created, at first Micki
17 Thompson was asked by you to run it by the attorney. Yes, that
18 did happen.

19 Q So Micki Thompson told you that everything was legal,
20 everything was in compliance. And you were the license holder,
21 you were the one with your name on the paper, yours was the name
22 on the wall, you were told this was completely in compliance by a
23 licensed professional?

24 A You were there the entire time. In regards to the seller
25 financing agreement, you had asked Micki if she could run it by

1 the attorney to see if that was okay and that was legal. And she
2 had told you and I that it was fine, that it was legit, yes, on
3 that one aspect.

4 Q If Mr. Poff was sitting there during the times of these
5 meetings and he was being told this by a licensed professional,
6 that purportedly had run this scenario by attorneys -- real
7 estate attorneys, would he have the assumption that this was a
8 legitimate process?

9 MS. VOGEL: Objection.

10 THE COURT: Sustained.

11 THE DEFENDANT: I mis-asked the question. I'm sorry,
12 sir.

13 THE COURT: You can't ask her what you were thinking,
14 which is what the problem is with your question.

15 THE DEFENDANT: I understand, sir. I understand.

16 THE COURT: While I understand you were married at one
17 time, that doesn't qualify her to tell you what you're thinking,
18 contrary to what my wife regularly tells me.

19 By the Defendant:

20 Q So you were under the impression that is -- because you were
21 the one licensed, you were under the impression that this was
22 legal?

23 A With respect to the seller financing agreement, and both of
24 us being there, and hearing Micki tell both of us, yes, this is
25 fine, this is okay. With respect to that one form, yes, I was

1 there. And, yes, that did happen.

2 Q Did you ever tell Mr. Poff that everything was above board,
3 that there was nothing done wrong, everything was in compliance?

4 A It was the other way around. You had told me that everything
5 was above board, everything technically is correct.

6 Q You are stating that Mr. Poff was your business, real estate,
7 mortgage, tax consultant in regards to basically -- really
8 everything?

9 A Yes, I am, truthfully.

10 Q And what professional licenses did Mr. Poff hold at this
11 time?

12 A On paper only a notary public.

13 Q On paper he was a notary public?

14 A Yes.

15 Q Why did you take so much stock in the advice of Mr. Poff
16 during this time?

17 A You are a very intelligent person. You have always bragged
18 to everybody you know more about real estate than I ever did.
19 You were the one who actually taught me real estate.

20 Q Mr. Poff is the one who actually taught you real estate?

21 A Really how to fill out even purchase and sale agreements.

22 Q Did you go to a school for real estate?

23 A Yes. But there was no lesson about how to fill out a
24 purchase and sale agreement.

25 Q So Mr. Poff, who has no training in real estate, taught you

1 how to do real estate?

2 A Yes. I did have professional schooling, but you really --
3 Bill, you -- you are very intelligent, very quick on your feet.
4 You have said so yourself, when there is an obstacle, you either
5 go around it -- you always figure out a way. That was your
6 strong suit in the relationship regarding everything, including
7 business.

8 Q More so on the advice of Mr. Poff than licensed professionals
9 or legal counsel, you would take stock of his advice over
10 everyone else?

11 A The way it was presented to the legal counsel, they said it
12 was fine. But the way it was presented, I don't think they ever
13 got the full story. They never really -- they never really got
14 the full story to really fully explain to us.

15 Q When you refer to "the full story," what are you referring to
16 specifically?

17 A Meaning -- Let's say the bank is aware of one loan and not
18 the carryback. The way it was explained to the counsel was,
19 well, there is one loan, and the seller agreed to re-lend the
20 loan a month later. If you explain it that way, it sounds legal,
21 because somebody can buy a house and then later get a second
22 mortgage. So that's how it is presented. But it wasn't
23 presented to them, they are in second position, but really we are
24 aware they are going to be in third. If they would have had
25 heard the full story, of course they would have said, no, that is

1 not legal, you can't do that.

2 Q So if you have this seller financing form, you have it
3 notarized, several of them obviously, and Mr. Poff wasn't the
4 licensed professional in the industry, whose responsibility was
5 it to disclose these criteria to lenders, to sellers, to buyers,
6 to whomever?

7 A You represented --

8 MS. VOGEL: Your Honor, I will object to the question
9 being compound. Can he break that down?

10 THE DEFENDANT: I will break that down. That is not a
11 problem.

12 By the Defendant:

13 Q Whose responsibility is it for disclosure -- if you are a
14 licensed real estate agent or a licensed real estate broker,
15 whose responsibility is it for disclosure of the elements of the
16 deal?

17 A As a licensed real estate agent, I was responsible for
18 preparing and explaining the paperwork, and negotiating the terms
19 for the loan, yes. That part was me. When you were the loan
20 officer, you obtained all the information to fulfill the loans.
21 That was your responsibility. Because up until -- I forgot,
22 2007, I believe, it was not required for loan officers to be
23 licensed. So technically you were practicing as a loan
24 officer and a loan originator at that time, too.

25 Q Did Mr. Poff have a broker's agreement with you or any other

1 mortgage broker?

2 A Bill, you hid behind my name. You did all the loans.

3 Q I will back up to that later. When you talk about your
4 Washington Mutual account, the one ending in 3135, you called it
5 a general account?

6 A "General" meaning -- any money that was ever made, via loans
7 or commissions, eventually that money would end up in that
8 account. It was a general account. It was also used for stated
9 programs because it had the most amount of deposits each month.

10 Q How much deposits would you average each month in your
11 account?

12 A Bill, I -- Off of memory? It wouldn't be exact.

13 Q Could you give an estimation?

14 A An estimation, off of each loan there was an approximate --
15 It depends which property closed that month. For example, as
16 soon as the four duplexes closed, I remember around \$120,000
17 coming into that bank account. So that's an example.

18 Q Isn't it a fact that you bragged to friends you had between
19 40- and anywhere up to \$100,000 per month average during certain
20 years in your business?

21 A Actually, that is something you did.

22 Q So you never bragged to a friend you had a certain amount of
23 money going through your account?

24 A You bragged to the friends. That is something you loved to
25 do.

1 Q I will retract that. Did you ever receive any type of
2 treatment for a mental disorder?

3 A Mental disorder? What kind?

4 Q Did you ever receive treatment for post-traumatic stress
5 disorder?

6 A I have been through a lot of hard times in my life.

7 Q Could you explain some of those hard times?

8 MS. VOGEL: Objection, your Honor. Relevance. The
9 nature of the hard times?

10 THE COURT: Why don't you rephrase the question,
11 counsel. This is not directly relevant. I will permit you to
12 get into it briefly and then I will close it off.

13 THE DEFENDANT: Yes, sir. Would you like me to explain
14 the relevance?

15 THE COURT: I would like you to rephrase. If you have
16 specific things in mind, let's use that, as opposed to asking the
17 witness for a narrative.

18 THE DEFENDANT: Very well. I will retract that.

19 By the Defendant:

20 Q Did you endure a major earthquake in Armenia in 1988?

21 A Yes.

22 Q Did you lose family members in that earthquake in 1988?

23 MS. VOGEL: Objection. Relevance.

24 THE COURT: I said I will permit it, briefly.

25 MS. VOGEL: I didn't hear you, your Honor.

1 THE COURT: I said I would permit it, briefly.

2 THE WITNESS: Yes.

3 THE DEFENDANT: Do you need a moment?

4 THE COURT: Let's move it along, Mr. Poff. This is
5 getting pretty far afield.

6 By the Defendant:

7 Q My point I am trying to make, Ms. Ikilikyan, without
8 upsetting you, you have been through some pretty hard times that
9 you did go to counseling for PTSD?

10 A Actually, I went to counseling for -- to cope with the
11 divorce more than the PTSD.

12 Q And during this time you had a couple of anxiety attacks?

13 A Panic attacks, when you would yell at me, yes.

14 Q You had a couple of panic attacks?

15 A I am not a psychologist. I can't diagnose myself. I had
16 physical symptoms -- the way you treated me, yeah.

17 Q Was there one time where Mr. Poff actually was required to
18 call an ambulance for you because the attack was so severe?

19 MS. VOGEL: Your Honor, I fail to see the relevance.

20 THE COURT: I will sustain that. Let's move along. Are
21 you going to start a new area, Mr. Poff, because it is 4:30.

22 THE DEFENDANT: Is it time to adjourn for the day?

23 THE COURT: Yes.

24 THE DEFENDANT: Can we leave it here, and I will start
25 tomorrow?

1 THE COURT: If you have one more question in this area,
2 I will permit that. Otherwise we will stop.

3 THE DEFENDANT: I will cut this area off right now, sir.

4 THE COURT: All right. We will see you tomorrow at
5 9:00, ladies and gentlemen. Are there any matters that counsel
6 want to deal with today?

7 MS. VOGEL: No, your Honor.

8 THE COURT: Mr. Poff?

9 THE DEFENDANT: No, your Honor.

10 THE COURT: I will see you at 9:00 tomorrow morning. We
11 will be in recess.

12 (Adjourned for the day)

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CERTIFICATE

I, Barry L. Fanning, Official Court Reporter, do hereby certify that the foregoing transcript is true and correct.

S/Barry L. Fanning

Barry L. Fanning